MONTANA LEGISLATIVE HISTORY

Chapter 563 19 77

Bill H 834 S _____ Original bill & history ✓ C

Joint Select Committee on Employee Compensation

~~H.~~ Committee on _____ ~~S.~~ Committee on _____

Hearing Date(s)	4-2	C	Hearing Date(s)		C
	4-5 am	C			C
	4-5 pm	C			C
Appropriations	4-11				
	4-12	C			C
Joint Select.	4-11				
Date Out	4-18	C			

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

House BILL NO. 834

INTRODUCED BY South Mahoney Driscoll Mahr Kane

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH AND FUND A COMPENSATION PLAN FOR STATE EMPLOYEES FOR THE 1979 BIENNIUM."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Definitions. As used in this act, the following definitions apply:

(1) "Employee" means any state employee other than an employee excepted under 59-904 from the statewide classification system.

(2) "Compensation" means the annual wage or salary plus the annual state contribution of health insurance premiums under provisions of 11-1024.

Section 2. Procedures for utilizing pay schedules. (1) The pay matrix provided in section 3 indicates the annual compensation for the fiscal year ending June 30, 1978, for each step and grade for positions classified under provisions of law. The compensation of each employee shall, on the first day of the first pay period in July, 1977, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1977.

(2) The pay matrix provided in section 4 indicates the annual compensation for the fiscal year ending June 30, 1979, for each step and grade for positions classified under provisions of law. The compensation of each employee shall, on the first day of the first pay period in July, 1978, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1978.

Section 3. Pay matrix for fiscal year ending June 30, 1978.

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
1.0			5,323	5,410	5,498	5,611
2.0	5,498	5,611	5,725	5,846	5,968	6,094
3.0	5,968	6,094	6,222	6,349	6,477	6,617
4.0	6,477	6,617	6,759	6,900	7,041	7,189
5.0	7,041	7,189	7,336	7,497	7,658	7,826
6.0	7,658	7,826	7,994	8,168	8,342	8,523
7.0	8,342	8,523	8,705	8,893	9,081	9,282
8.0	9,081	9,282	9,483	9,691	9,900	10,121
9.0	9,900	10,121	10,342	10,570	10,798	11,040
9.5	10,349	10,580	10,812	11,050	11,289	11,540
10.0	10,798	11,040	11,282	11,530	11,778	12,040
10.5	11,291	11,540	11,793	12,057	12,321	12,598
11.0	11,778	12,040	12,302	12,583	12,865	13,153
11.5	12,321	12,598	12,875	13,165	13,459	13,758
12.0	12,865	13,153	13,442	13,744	14,046	14,361
12.5	13,459	13,758	14,060	14,376	14,691	15,023

13.0	14,046	14,361	14,677	15,006	15,335	15,684
14.0	15,335	15,670	16,006	16,342	16,676	17,012
15.0	16,757	17,093	17,429	17,764	18,099	18,435
16.0	18,327	18,663	18,999	19,334	19,670	20,005
17.0	20,032	20,367	20,703	21,039	21,374	21,710
18.0	21,911	22,246	22,582	22,918	23,253	23,588
19.0	23,978	24,314	24,648	24,984	25,320	25,656
20.0	26,233	26,567	26,903	27,239	27,575	27,910
21.0	28,716	29,091	29,386	29,722	30,058	30,393
22.0	31,439	31,775	32,111	32,446	32,782	33,117
23.0	34,419	34,754	35,090	35,426	35,762	36,096
24.0	37,694	38,030	38,365	38,700	39,036	39,371
25.0	41,291	41,626	41,962	42,298	42,632	42,968

Grade	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13
1.0	5,725	5,846	5,968	6,047	6,128	6,209	6,289
2.0	6,222	6,349	6,477	6,564	6,651	6,738	6,826
3.0	6,759	6,900	7,041	7,133	7,228	7,329	7,430
4.0	7,336	7,497	7,658	7,766	7,872	7,980	8,087
5.0	7,994	8,168	8,342	8,457	8,570	8,691	8,812
6.0	8,705	8,893	9,081	9,208	9,336	9,463	9,591
7.0	9,483	9,691	9,900	10,040	10,181	10,322	10,463
8.0	10,342	10,570	10,798	10,953	11,108	11,261	11,416
9.0	11,282	11,530	11,778	11,946	12,114	12,289	12,463
9.5	11,792	12,057	12,321	12,496	12,670	12,853	13,034
10.0	12,302	12,583	12,865	13,048	13,227	13,416	13,604

10.5	12,875	13,165	13,459	13,650	13,839	14,037	14,233
11.0	13,442	13,744	14,046	14,248	14,449	14,657	14,865
11.5	14,060	14,376	14,691	14,904	15,115	15,334	15,553
12.0	14,677	15,006	15,335	15,557	15,778	16,006	16,234
12.5	15,357	15,700	16,047	16,277	16,509	16,745	16,988
13.0	16,033	16,395	16,757	16,999	17,240	17,489	17,737
14.0	17,348	17,684	18,019	18,355	18,690	18,857	19,025
15.0	18,770	19,106	19,442	19,777	20,112	20,280	20,448
16.0	20,341	20,676	21,012	21,348	21,682	21,850	22,018
17.0	22,046	22,380	22,716	23,052	23,387	23,555	23,723
18.0	23,924	24,259	24,595	24,931	25,267	25,433	25,601
19.0	25,990	26,326	26,662	26,997	27,333	27,501	27,669
20.0	28,246	28,582	28,916	29,252	29,588	29,756	29,924
21.0	30,728	31,064	31,399	31,735	32,071	32,239	32,407
22.0	33,453	33,788	34,124	34,460	34,795	34,962	35,130
23.0	36,432	36,768	37,103	37,439	37,775	37,942	38,109
24.0	39,707	40,043	40,378	40,713	41,049	41,217	41,385
25.0	43,304	43,639	43,975	44,310	44,646	44,813	44,981

Section 4. Pay matrix for fiscal year ending June 30, 1979.

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
1.0			6,031	6,120	6,210	6,326
2.0	6,210	6,326	6,443	6,567	6,691	6,820
3.0	6,691	6,820	6,951	7,081	7,212	7,356
4.0	7,212	7,356	7,501	7,645	7,790	7,941

1	5.0	7,790	7,941	8,092	8,256	8,421	8,593
2	6.0	8,421	8,593	8,765	8,943	9,121	9,306
3	7.0	9,121	9,306	9,493	9,685	9,878	10,083
4	8.0	9,878	10,083	10,289	10,502	10,716	10,942
5	9.0	10,716	10,942	11,168	11,402	11,635	11,883
6	9.5	11,175	11,412	11,649	11,893	12,137	12,394
7	10.0	11,635	11,883	12,130	12,384	12,638	12,906
8	10.5	12,139	12,394	12,653	12,923	13,194	13,477
9	11.0	12,638	12,906	13,174	13,462	13,750	14,045
10	11.5	13,194	13,477	13,761	14,058	14,358	14,664
11	12.0	13,750	14,045	14,341	14,650	14,959	15,282
12	12.5	14,358	14,664	14,974	15,297	15,619	15,959
13	13.0	14,959	15,282	15,605	15,942	16,278	16,636
14	14.0	16,278	16,621	16,965	17,309	17,651	17,995
15	15.0	17,734	18,078	18,422	18,765	19,107	19,451
16	16.0	19,341	19,685	20,029	20,371	20,715	21,058
17	17.0	21,086	21,429	21,773	22,117	22,459	22,803
18	18.0	23,009	23,352	23,696	24,040	24,383	24,725
19	19.0	25,125	25,469	25,810	26,154	26,498	26,842
20	20.0	27,433	27,774	28,118	28,462	28,806	29,149
21	21.0	29,974	30,358	30,660	31,004	31,347	31,690
22	22.0	32,761	33,105	33,449	33,792	34,135	34,478
23	23.0	35,811	36,154	36,498	36,842	37,186	37,527
24	24.0	39,163	39,507	39,850	40,193	40,536	40,879
25	25.0	42,844	43,187	43,531	43,875	44,217	44,561

	Grade	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13
1								
2	1.0	6,443	6,567	6,691	6,772	6,855	6,938	7,020
3	2.0	6,951	7,081	7,212	7,301	7,390	7,479	7,570
4	3.0	7,501	7,645	7,790	7,884	7,981	8,084	8,188
5	4.0	8,092	8,256	8,421	8,532	8,640	8,751	8,860
6	5.0	8,765	8,943	9,121	9,239	9,355	9,478	9,602
7	6.0	9,493	9,685	9,878	10,008	10,139	10,269	10,400
8	7.0	10,289	10,502	10,716	10,859	11,003	11,148	11,292
9	8.0	11,168	11,402	11,635	11,794	11,952	12,109	12,267
10	9.0	12,130	12,384	12,638	12,810	12,982	13,161	13,339
11	9.5	12,652	12,923	13,194	13,373	13,551	13,738	13,923
12	10.0	13,174	13,462	13,750	13,936	14,121	14,314	14,507
13	10.5	13,761	14,058	14,358	14,554	14,747	14,950	15,151
14	11.0	14,341	14,650	14,959	15,166	15,372	15,585	15,797
15	11.5	14,974	15,297	15,619	15,837	16,053	16,277	16,502
16	12.0	15,605	15,942	16,278	16,506	16,732	16,965	17,199
17	12.5	16,301	16,652	17,007	17,243	17,480	17,722	17,970
18	13.0	16,993	17,363	17,734	17,982	18,228	18,483	18,737
19	14.0	18,339	18,683	19,026	19,369	19,712	19,883	20,055
20	15.0	19,794	20,138	20,482	20,825	21,168	21,340	21,512
21	16.0	21,402	21,745	22,089	22,433	22,775	22,947	23,119
22	17.0	23,147	23,489	23,833	24,177	24,520	24,692	24,864
23	18.0	25,069	25,412	25,756	26,100	26,444	26,614	26,786
24	19.0	27,184	27,528	27,872	28,215	28,558	28,730	28,902
25	20.0	29,493	29,837	30,179	30,523	30,866	31,038	31,210

21.0	32,033	32,377	32,720	33,064	33,408	33,580	33,752
22.0	34,822	35,165	35,509	35,853	36,196	36,367	36,539
23.0	37,871	38,215	38,558	38,902	39,246	39,417	39,588
24.0	41,223	41,567	41,910	42,253	42,597	42,769	42,941
25.0	44,905	45,248	45,592	45,934	46,278	46,449	46,621

Section 5. Allocation between wages and health insurance contribution. The compensation indicated in the matrices plus the longevity allowance provided in section 8 is the entire compensation per employee for wages and health benefits. Any employee may, through collective bargaining or individually if not a member of a bargaining unit, determine the allocation between the annual wage and annual contribution for health insurance paid by the state.

Section 6. Meritorious promotions. In addition to the pay increases provided above, each agency director may grant intra-grade promotions to employees who have demonstrated exceptionally meritorious performance. The total cost of such promotions may not exceed 1/2 of 1% of total budgeted wages and salaries as approved by the budget director in the operational budget. Promotions are exclusively a management prerogative and, not withstanding any other provision of law, are not negotiable.

Section 7. New hires. The salary of any employee hired after the effective date of this act shall be at step 1 of the appropriate grade, except that an agency director may,

under the budget limitations imposed in section 6, approve a starting salary higher than step 1.

Section 8. Longevity allowance. In addition to the compensation determined above, each employee who has completed at least 5 years of uninterrupted state service shall receive the amount obtained by multiplying the larger of $10 a month or 10% of the difference between the base compensation for his grade and step and the base compensation for the corresponding step in the next highest grade by the number of completed, contiguous 5-year periods of uninterrupted service he has with the state. Service to the state may not be considered to have been interrupted by authorized leaves of absence not exceeding 3 months or by military service.

Section 9. Exclusive procedure. The procedure established in this act for increasing compensation for state employees is in lieu of and supercedes any other plan or system of pay increases. No contract may be negotiated which provides compensation in excess of that provided in this act. A member of a bargaining unit may receive an increase in compensation only in the event the bargaining unit has ratified a contract with the state covering all compensation for the pertinent fiscal year.

Section 10. Rules. The department of administration, subject to approval by the budget director, may promulgate

rules not inconsistent with the provisions of this act to carry out the purposes of the act.

Section 11. Appropriation. There is appropriated to the budget director $2,268,225 for the fiscal year ending June 30, 1978, and $5,042,600 for the fiscal year ending June 30, 1979, from the state general fund to carry out the provisions of this act as it pertains to executive branch agencies, not including units of the university system. The budget director is authorized to increase the expenditure authority of executive branch agencies, not including units of the university system, by $3,641,692 for the fiscal year ending June 30, 1978, and by $8,237,724 for the fiscal year ending June 30, 1979, from funds other than the state general funds which accrue under provisions of law to the respective agencies to carry out the provisions of this act.

Section 12. Reversion. Appropriated funds not spent at the end of the fiscal year shall revert to the fund from which they were appropriated.

-End-

EMPLOYEE COMPENSATION, SELECT COMMITTEE

45th Legislature

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
SB 380	...to prohibit any agency of state gov't from interfering, restraining, coercing or retaliating against a state emp. who exercises the rt. of appeal under the class. & wage act.	2/26	Towe	3/22	BE CONCURRED IN	4/6/77
SB 168	...concerning the participation of state employee groups in statewide group insurance plan.	3/3	Thiessen et al	3/22	AS AMENDED BE CONCURRED IN	4/6/77
SB 379	...to make orders of the board of personnel appeals in classification and wage proceedings binding.	3/3	Towe	3/22	BE NOT CONCURRED IN.	4/6/77
HB 834	...to establish and fund a compensation plan for state employees for the 1979 biennium.	3/22	SOUTH	4/2	AS AMENDED DO PASS	4/6/77
HB 700	...concerning public employment relations, renaming the merit system council & bd. of pers. appeals, transfer. certain functions, & req. establish. of grievance procedure.	4/2	BRAND	4/5	AS AMENDED BE CONCURRED IN	4/5/77
HB 346	...pertaining to public emp. gp ins. contracts, to clarify judicial branch participation & permit coll. bgn. of terms & conditions of gp. ins.	4/2	Estenson	4/5	BE NOT CONCURRED IN	4/6/77

EMPLOYEE COMPENSATION, SELECT COMMITTEE

45th Legislature

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
HB 834	... to establish and fund a compensation plan for state employees for the 1979 biennium.	4/18	South	4/18	AS AMENDED BE CONCURRED IN	4/18/77

ROLL CALL

EMPLOYEE COMPENSATION, SELECT COMMITTEE (JOINT)

45th LEGISLATIVE SESSION, 19 77

Name	Date 1/17	2/21		3/22	3/26		4/2	4/5	4/5 PM	4/6	4/11	4/15		2/1
SEN. ROBERTS, Chairman	✓	✓		✓	✓		✓	✓	✓	✓	✓	✓		✓
SEN. FASBENDER, Larry	✓	✓		✓	✓		✓	✓	✓	EX	✓	✓		EX
SEN. HIMSL, Matt	✓	✓		✓	✓		✓	✓	EX	✓	✓	✓		✓
SEN. STEPHENS, Stan	✓	EX		✓	✓		✓	✓	✓	✓	✓	EX		✓
REP. SOUTH, Vice-Chairman	✓	✓		✓	✓		✓	✓	✓	✓	✓	✓		EX
REP. DRISCOLL, John	EX	✓		✓	✓		EX	EX	EX	✓	EX	EX		✓
REP. ELLIS, Howard	✓	✓		✓	✓		✓	✓	EX	✓	✓	✓		✓
REP. FABREGA, Jay	✓	✓		✓	✓		✓	✓	✓	✓	✓	✓		✓
REP. TROPILA, Joe	✓	✓		✓	✓		✓	✓	✓	✓	EX	✓		✓

Joy McGrath, Secretary

April 2, 1977

The Joint Select Committee on Employee Compensation meeting was called to order at 8:00 a.m. in room 225 of the State Capitol Building by Senator Joe Roberts, Chairman. The roll call was taken and a quorum was present.

HOUSE BILL 834

Representative Carroll South, District #51, chief sponsor of this bill relating to the pay plan for state employees, testified that the appropriations necessary for this pay plan are within the bill. These will go to the Office of Budget and Program Planning and they will make the appropriations to the agencies involved. He explained that the university system has been taken out of this bill and put into the university budget.

This pay plan is different from the current plan in one primary respect; each employee will stay at the same step and grade and the entire matrix will be raised to compensate for the cost of living adjustments. The first year's increase has been computed by adding $416, multiplying that by 2.35 percent and adding $125 in health insurance premium payments. The second year's increase is $458, multiplied by 2.35 percent, plus $125 in health insurance payments. Longevity will be the same as two years ago. This bill does allow for merit promotions, using a step increase basis. Rep. South does not feel this destroys the equal work and equal pay concept; but management should have the perrogative to award for merit. They should also have the ability to hire above step one, which this bill provides for.

Mike Billings, Director of the Office of Budget and Program Planning, said he has some minor concerns with areas of the proposed pay plan. They do not agree with labor on all aspects of concern but they are close on some of them. He distributed the attached sheet of amendments and will have other amendments prepared for the committee later. In this pay plan, he explained, you don't advance steps annually as the present plan does. That method has lead to complications; but under this plan you would stay at the same step but get the same financial benefits as if a step increase was made. This is a total compensation matrix with salary and health insurance built into it. This in itself gives rise to some concerns for the Budget Office.

Their main concern is on page 7, section 5. The attorney for the Budget Office, IRS and other attorneys have a problem with what is tax free and what is not. Section 5 deals with the question of medical insurance and actual wages, and the choice of the employee for totally state paid medical premium or that amount in wages. This may be determined to be illegal, so a change of wording is required as set forth in the attached proposal. They want to preserve the rights to collectively bargain, Mr. Billings stated.

Section 6 provides management with the right and ability to award wage bonuses for outstanding performance. Presumably the rules would

be set forth by the Personnel Division; however, this is now written in the bill. The procedure should be as simple as possible, with all attempts made to alleviate problems that could lead to discrimination. Mr. Billings proposed that page 7, line 20, following: "budget.", the last sentence should be stricken from the bill.

Section 7 makes provisions for hiring individuals at a step higher than step 1. With the current restriction on hiring at other than step 1, there are problems, especially with the craft workers. The principle to "attract and retain qualified, competent personnel" is difficult under the current policy, especially in the medical and data processing fields. This section should be modified to provide management with the flexibility to hire at higher than step one if necessary and by rules promulgated by the Department of Administration. The exact language was not available at the time of the hearing.

Section 8 is quite similar to the section in the existing pay plan, but Mr. Billings would recommend amending page 8, line 13, following: "absence", strike: "not exceeding 3 months or by military service".

Section 9 deals with collective bargaining and those individuals covered by collective bargaining. The first pay plan was designed with the concept in mind of one pay plan for all. There is nothing that has been said that it be that way, it just came out that way, Mr. Billings said. This section should be reworded to make it possible for certain occupational groups to negotiate different pay plans, especially the craft workers and teachers. If Senate Bill 80 is unsuccessful, the flexibility to negotiate different pay plans is necessa In order to be consistent with the dual system with collective bargaining involved, page 1, line 21, and page 2, line 3 should be amended to include "Except as provided in section 9 as for collective bargaining units, the compensation..."

Section 10 should be amended, Mr. Billings explained, to add to line 1, page 9, "collective bargaining statutes or negotiated contracts".

This plan does not cover the collective bargaining made to date, he concluded.

John LaFaver, Legislative Fiscal Analyst, stated it needs to be made clear what the main reason is for the pay plan or matrix containing the total wages as well as the health insurance benefits. The major difference between agreements is that some of the units have wanted higher health benefits and lower salaries, and others have wanted the opposite. The intent of the sponsors was to avoid a situation where we have one pay plan for every unit of state government. If all the health benefits were included in the matrix, then the salaries could be adjusted accordingly if an employee wanted higher of one or the other. He felt that it seems this bill is saying that the pay plan applies to everybody except someone covered under the collective bargaining statute. If that is the intent of the legislature, so be it, Mr. LaFaver stated. But the major controversy at the end of the last session was if they ratified agreements made to that point. The main thing is for the legislature to ratify its intent. The question will otherwise raise itself as to the type of pay raises that those people not included in the pay plan would receive.

PROPONENTS WITHOUT AMENDMENTS: None

PROPONENTS WITH AMENDMENTS:

Lonny Mayer, representing the Retail Clerks Union, spoke as a proponent to this bill if it is amended. See the attached sheet of proposed amendments. He indicated that Mike Billings addressed some of the amendments his union would like. He added that on the amendment regarding absences exceeding 3 months, that this phrase would create a problem for some one who could lose their longevity because of a pregnancy leave and medical disability leave. If the amendments are adopted, we would have a good pay plan before the legislature, he concluded.

Jim Murry, Executive Director for the Montana State AFL-CIO, indicated that their objections have been expressed by the other speakers. He did further comment on section 6, Merit Promotions. At the outset the state employees of the state AFL-CIO felt merit promotions should be deleted. They feel it distorts the pay plan and does not go with the equal pay for equal work concept. This will cause problems because a promotion may be given on political influences and other things besides performance. If that section must stay in, it should be subject to the collective bargaining process, Mr. Murry stated. This would pose a problem as to whether or nor enough money is being appropriated for this bill because if everybody meets the criteria established it would have to be paid.

Don Judge, Field Representative for the AFSCME, AFL-CIO, submitted the attached amendments to the committee. The only one not presented for consideration yet at this hearing is on page 8, lines 17 through 23 (his #4 amendment). They object to merit increases because it could a a "carrot held out over a head of an employer," he said. They can visualize some employees not being able to get proper increases and classifications because the funds were used for promotions and hiring above step 1; and possibly some vacancies would not be filled or would not be filed at the proper grade because of the lack of funding that could result from this. He stated that they would agree with all the amendments proposed by Mike Billings today. They do have a problem of negotiating under the current plan as the criteria does not fit all their members, especially the craft and blue collar workers. The current language in section 9 would preclude negotiating to get a pay plan to fit them. He also proposed that the proposed amendment for section 9 be amended to strike "and benefits" on line 2 of the attached sheet and to strike "or benefits" on line 6 of the section 9 amendment also. Mr. Judge also indicated that they have negotiated anniversary date increases which this bill does not allow for, but it does provide the money for that. AFSCME would support H.B. 834 if the proposed amendments are adopted.

Vince Bosh, representing the International Union of Operating Engineers submitted the attached testimony in opposition to House Bill 834 as introduced.

Jim McGarvey of the Montana Federation of Teachers, AFT, AFL-CIO, said that he has reservations about H.B. 834 because it does not exemplify the pre-budget agreement he signed with the state in negotiations.

While the overall dollar amounts are the same in the bill, it does not properly reflect the agreement concerning wages and insurance as agreed upon in the negotiations. He felt this bill does not retain equality. In section 6 and section 10 he expressed problems the union has stating he feels that the merit promotion section would violate the present collective bargaining statute which provides for representation by the exclusive representative.

Pat McKittrick spoke on behalf of the Montana Joint Council of Teamsters, #23. He agrees with Mike Billings' amendments and suggested that the committee also include along with the health insurance benefits those retirement benefits made through collective bargaining contracts, in order to insure that those are excluded from the definition of wages. This would be an important factor for both the employee and the state. He commented that John LaFaver has indicated that there might be a problem with the blue collar plan and this; that is not necessarily true because there is Senate Bill 80 which says that blue collar plans could be negotiated. The legislature has to approve the collective bargaining agreements because they have to appropriate.

Tom Schneider of the M.P.E.A. asked to hold the right to study the amendments of all other parties. He reported that his membership is "up in arms" about section 6 on merit promotions. The problems seem to be that we have no uniform system at this time to determine how it will be utilized and every department could use it differently, some properly, others improperly. Section 6 should be stricken or the rules should be made so this is negotiable. He had comments about the problems regarding section 7, New Hires. He felt that section 5 does create a problem in that employees could take health insurance until the last three years before retirement and then stop taking insurance to raise their salary upon which their retirement pay would be based.

Mr. Schneider responded to a comment made by Mr. McKittrick saying "we are going to dovetail this into Senate Bill 80 because it has not passed yet and hopefully it will not pass. Don't tie Senate Bill 80 to this bill." Mr. McKittrick responded that it is a very difficult problem because Senate Bill 80 as drafted is not supported but we are trying to help the legislators' job as best as we can.

Jim Roberts of the Teamsters #2 in Butte and the vice-president for the Montana Joint Council of Teamsters indicated problems with section 5 similar to other testimony. They support Mike Billings' amendments to the bill, and they will support House Bill 834 with the amendments suggested.

Individuals from Boulder, Galen and the prison stood in opposition of the bill as introduced; their names are on the Visitors Register.

Ken Luraas from Lolo, Montana, said that the Retail Clerks Union would support the bill as amended by the AFL-CIO.

Closing Statement: Rep. South stated that the merit promotion section was done at his suggestion but he does not think "it flies in the face of equal pay for equal work" because there could be two individuals doing exactly equal work but one may be doing much better or much more than the other. The employer should have the perrogative to grant

merit promotions to whose who do excel. If the choice is making this negotiable or striking it from the plan, he would prefer the provision be stricken because a lot of state employees not represented by bargaining units would be left out in the cold.

QUESTIONS:

Senator Roberts asked Duane Johnson, Administrator of the Personnel Division, to give the status of agreements presently being negotiated. There are several areas now in which the collective bargaining agreements are not successfully completed, Mr. Johnson said; one is the blue collar unions. They have reached agreement on the plan itself and there has been testimony that it is an excellent plan; however, the allocations of monty to that plan leaves them at an impass now. Several other areas that are outstanding today; one is with one of the teachers unions representing a unit in the Office of the Superintendent of Public Instruction. In that particular set of negotiations, the legislature has not lined the jobs out to current levels. It presents a unique problem because if the legislature lined out a bargaining unit to current level, there would be no vehicle by which they could provide for growth.

Rep. South said that Mr. Johnson is talking about the regional special education centers. As they are currently integrated into H.B. 145 under the university system, there are no cost of living increases in there so they should be added somewhere else. Mr. Billings replied that there is money in this bill for the cost of living adjustments for them; there is money provided, if that is the intent of the committee.

Mr. Johnson stated that about 70% of the settlements have been made and they are negotiating with the others. Senator Roberts felt this puts the legislators in a difficult position if they are going home from this session without knowing what the product of those settlements would be. He understood that the legislature would review the negotiated settlements to see if they were at a level where they could fund and accept them. Mr. Johnson said that if the bargaining units could have been settled before the legislators left, it would have been great but it does not work that way. They have been putting in a lot of long hours and have been reasonably successful in their negotiations. They are limited, in the end, in their options in terms of money, which is determined by the legislature. Both Senator Roberts and Mr. Johnson said that they are concerned about ending the session without knowing what the outcome of the negotiations would be in terms of the blue collar plan. But Mr. Johnson said that the unions have a right to negotiate and the legislature has the right to acquiesce. A settlement may not be reached for quite some time; and as long as there is open collective bargaining, a time schedule can never be set up. Mr. Johnson said that if they exceed the amounts approved by the legislature, the Governor would have to call them back into session or they would have to call themselves back into session. Rep. South pointed out that they are bound because of the appropriation in this bill. He asked if there was a possibility that they could negotiate higher and then come in for a supplemental. Mr. Billings responded that that will not happen. They are going to leave the law in the pay plan, and would be facing lay offs rather than a supplemental request.

In response to a question, Mr. Billings said that they can project how much they will need throughout the year for a bargaining unit under this pay plan. If they go beyond that, they would be forced to lay people off.

Senator Himsl asked what the increases would be in the matrix, to which Rep. South said that he caluculated it would be about a 10% increase for a salary of about $7,000 a year; 6% increase at $13,000 a year; and a 3.7% increase for $40,000 a year income. The $125 was included in these calculations.

The schedule here is really a floor from which they can negotiate or bargain up, Senator Himsl asked; Mr. Billings said no, that it is a schedule for a maximum that would be compensating for every employee. He then asked if the unions could bargain. Mr. Billings gave a qualified no answer, saying that there is a possibility of negotiating different pay plans and losing identification with the pay plan here.

Mr. Billings explained that the intent of the language for "overall compensation for other employees" is that any bargaining unit that would be negotiating the amount of money that amount would be allocated to their bargaining unit and it would be the same as if they were on this plan. It could be calculated the same as the state pay plan.

Referring to section 6, Meritorious Promotions, Mr. Billings commented that it would remain a management perrogative because they always are. The Department of Administration would promulgate the rules; the criteria that is negotiated by rules and those by bargaining units would not be very far apart.

The hearing was closed as there were no further questions or discussion.

EXECUTIVE SESSION

Senate Bill 80: Rep. South presented the attached amendments and stated that there is some concern by the university employees about their classification based on the amendments made by this committee at its last meeting. This does what we intended, but in a clearer way, Senator Roberts stated.

Rep. South MOVED the amendments pertaining to the university system be adopted. VOTE: The motion carried by a unanimous roll call vote (8-

Senator Roberts indicated he received the attached amendment from Pat McKittrick who discussed it with Senator Turnage who is agreeable to the amendment. This would make an agreement to arbitrate enforceable. Senator Roberts explained that this amends a whole section of law in Montana which is an amendment to Section 17-807. Any agreement to arbitrate could not be enforced in any court of law in Montana, even if both parties agreed to it. Any other collective bargaining agreement would be outside the scope of the public employees.

Pat McKittrick feels that this particular amendment should become law. This is the best part of S.B. 80; he added he was putting this in with reservations of his feelings about S.B. 80. If the arbitration comes

April 5, 1977

The Joint Select Committee on Employee Compensation meeting was called to order at 9:00 a.m in room 225 of the State Capitol Building by Senator Joe Roberts, Chairman. The roll call was taken and a quorum was present.

House Bill 346

Pertaining to public employee group insurance contracts, to clarify judicial branch participation; and to permit collective bargaining of the terms and conditions of group insurance.

Representative JoEllen Estenson, District #32, sponsor of H.B. 346 said it adds some new language to the legislation. She explained that the new language on page 2, lines 9 and 10 is incorporated for the purpose of collective bargaining. The additions made on page 3 deal with negotiating and contracting of group insurance plans. Changes were also incorporated to include the judicial branch in this bill.

Duane Johnson, Administrator of the Personnel Division, said this permits the executive branch and the individual unions in the process of collective bargaining to negotiate the level of the state's contribution and different carriers. This bill was introduced because in negotiating they found that trust funds were offering better benefits at lower premium costs than the state could offer. The unions have said that it should be so that they could negotiate for what would be best for the employees.

Don Judge, Field Representative for AFSCME, AFL-CIO, presented written testimony to the committee on February 17, 1977, when this bill was heard by the committee. They reaffirm their support for this bill as it is a product of collective bargaining. This may provide a vehicle for their employees and other employees to get good insurance at lower costs.

Pat McKittrick, on behalf of the Montana Joint Teamsters Council, stated his support of House Bill 346.

Opponents: None

Questions: None

House Bill 700

Concerning public employment relations, renaming the Merit System Council and the Board of Personnel Appeals, transfering certain functions, and requiring the establishment of a grievance procedure.

Representative Joe Brand, District #28,sponsor of House Bill 700 urged the committee to give it a favorable recommendation. It serves to start the process for a meaningful personnel system. It is also cost effective, he said. One amendment was made in the House which Rep. Brand supported; but this bill should not be "watered down" at all.

In response to a question from Senator Himsl, Mr. Johnson explained that there are certain personnel positions required by the federal government for the merit system in order to qualify for federal grants. They would not necessarily be duplicating efforts, but the division would have to prove to the federal government how they comply with the requirements.

Mr. Johnson explained that the merit council would not continue to exist in the same capacity it is now. They would not have the nature of an advisory board as they do now. It would be a part-time board with a small staff; basically the same type of operation of the board of personnel appeals.

Senator Himsl asked if the appeals process would be available only to union members. Mr. Judge responded that it is a negotiable item and should not be provided through the payment of taxes to all employees. Through union dollars and everyone's tax dollars, the non-organized employees would have the benefits of the organized. He feels that a non-union employee can have an appeals process available, but they are saying that as a state employee the state should not be in a position of making the final responses for all grievances; it should be a negotiable item. Senator Himsl followed up by asking "As a non-union member, I should not have the right to an appeals process?" Mr. Judge responded, "For grievances other than classification that is what we are saying." What employees had to organize for in the past would be offered free for all state employees.

Representative South asked if this is any different than bargaining for health insurance increases; Mr. Judge said that they have problems with that also. They have gone to the classification system and it has been a constraint across the bargaining table. They have lived within those constraints, but it does not mean they like it, he added.

Will this make the decisions go quicker, Representative Tropila asked. Mr. Johnson said he would be reluctant to say it would. Because the board would focus only on grievances, it generally would be quicker.

Mr. Johnson felt that a five member board might be better because there would be more people; however, it should be neutral.

There being no further questions, the hearing on H.B. 700 was closed.

House Bill 834

Representative Gould appeared to testify on behalf of H.B. 834. Although this bill was not open for hearing this date, Chairman Roberts determined that the testimony could be admitted.

Representative Gould said that he has one gripe which is that the developmentally disabled people aren't being paid the same as any other person. When a new employee would normally start at a grade 11, in the developmentally disabled program the same person would start out at a grade 13. This causes a lot of conflict and hard feelings among the employees. Pat Estenson of the Classification Bureau said that he would check into this situation and respond by letter to Rep. Gould and copies to the committee members, upon the request of Chairman Roberts.

EXECUTIVE SESSION

House Bill 700:

MOTION: Representative Tropila moved that page 8, line 24 be amended by striking "3" and inserting "5".

Representative Fabrega asked if three would then constitute a quorum or if it would be necessary to state that. Chairman Roberts felt it is taken care of in 82A-1014.

VOICE VOTE: The motion carried unanimously.

MOTION: Senator Stephens moved the amendments set forth on the sheet attached from Mr. Duane Johnson.

VOICE VOTE: The motion carried unanimously.

MOTION: Senator Fasbender moved that H.B. 700 be AS AMENDED BE CONCURRED IN.

ROLL CALL VOTE: The motion carried unanimously.

House Bill 834:

Section 6: Representative South said that rather than make it a negotiable item he would prefer to strike the section.

MOTION: Representative South moved to strike section 6.

VOICE VOTE: The motion carried with a vote of 8-1 (Driscoll voting NO)

Section 5: Representative South said that the employees should be able to choose between health benefits and wages, but IRS will not allow that. Under collective bargaining that can be done. Senator Roberts suggested striking section 5 in its entirety. Rep. South said that if the state is buying more health insurance for some than for other employees, it should be reflected in the matrix and addressed in section 5.

MOTION: Representative South moved to strike Section 5 and insert that section proposed by Mike Billings on the attached sheet (Amendment #2)

VOICE VOTE: The motion carried unanimously.

Section 7: Representative Tropila pointed out that section 7 must be changed since section 6 was stricken from the bill. Representative South said that in some cases this is important because coming on at step 1 causes a problem, especially in the crafts.

MOTION: Representative South moved to amend page 7, section 7 by striking the section 7 in the bill and inserting a new section 7 as proposed in amendment #4 on the sheet from Mike Billings.

VOICE VOTE: The motion carried unanimously.

New Section 13: Representative South said that amendment #7 from Mike Billings is a housekeeping amendment. Representative Meloy's bill changed the insurance contribution from $10 to $20 the first year and to $30 every year thereafter. Rather than running a separate bill through the legislature, this bill could be amended by adding this new section. The only problem with this amendment is that with H.B. 183 we took the provisions out that applied to local governments. Local governments would have their own program for this.

MOTION: Representative South moved that we amend the bill by adding this new section without the local government provisions. (John LaFaver will get the correct language for the section.)

VOICE VOTE: The motion carried unanimously.

Section 9: Representative Tropila suggested that we adopt amendment #5 on the proposals from Mike Billings; both management and labor agree on this one. Senator Roberts said that he likes this amendment but it is not tight enough. When we adopt this pay plan we are adopting a certain amount of money per employee, and he does not want to see that amount increase after the legislators go home. They could not exceed that amount and they could not increase appropriations, so they would not fill vacant positions. Mr. Billings commented that there are problems now in the present negotiations over the blue collar plan. One basic problem is the fact that the last legislature said all new employees would start at step one. They had negotiated with all and settled for an internal step. Starting a plumber, for example, at a step one working next to a plumber who is at a step seven with less experience runs contrary to the philosophy that a"journeyman is a journeyman." They have been negotiating this plan for 18 months now. They have come a long way, but have not reached a full agreement yet.

Rep. Driscoll asked how many people are in the group that needs $115,000 to correct the problems in the crafts. The answer was that 176 people must be raised from step one and that amount is needed to get them to the proper level. There are a few other people involved, but the total would be less than 200.

Senator Roberts suggested that rather referring to an "overall compensation" the word "overall" should be stricken and the language "compensation to any state employee" would replace that phrase. But Rep. South stated that similar employees will not be in this matrix because we are talking about another pay plan.

Rep. South also pointed out that the committee must talk about the fact that management has negotiated contracts for COLA clauses for the last year of the biennium which would escalate the amount state employees would get if inflation goes higher than a certain amount. The committee's intent should be put in the bill. There are set amounts for both years

and the COLA clauses would only plug in if a certain percentage was exceeded or reached. We would be ratifying those COLA clauses for the second year if we don't state out intention in this bill, Rep. South stated.

Rep. Driscoll said that he likes the flexibility that a new system could be negotiated but he likes the amount of money in this plan.

Rep. South said that he did not think this would be as serious a problem as the committee is anticipating because it is the same amount of money but fewer employees. If they want to pay higher, they would have to work with fewer employees. Rep. Ellis said that if that would mean the elimination of some services the legislature is asking them to perform, he would be opposed to it.

Mr. Billings said that for the 761 people in the blue collar plan, they can calculate how much money they could have. Rep. Driscoll suggested writing up language that will allow all to stay on the matrix but allow the flexibility for the blue collar pay plan. Rep. South said that language could be written binding all other employees; reducing the number of FTEs would be the only other way they could stay in the amount stipulated. Rep. South suggested that the committee could pull the money out of this plan for a blue collar pay plan. After a brief discussion, Rep. Driscoll suggested that possibly the amounts could be modified in section to refer to non-blue collar people and a proposed blue collar pay plan and the amounts for that could be placed in another section or another bill.

MOTION: Rep. Driscoll moved to have a separate section for the blue collar pay plan; appropriate a lesser amount for this pay plan and put in a new section and state the flexibility.

Discussion: There was a brief discussion on this motion. Senator Roberts said that we will still not know what they are going to do and they could still end up reducing the level of services. Mr. Judge said that the teachers are also inappropriately classified. They have also agreed to anniversary date increases; and their people do not like the philosophy expressed in this bill in that regard.

A number of committee members had to leave this meeting to attend other meetings, a quorum was no longer present so action was not taken on this motion.

The meeting was adjourned at 11:30 a.m. and another meeting will be held at 7:30 p.m. this date to continue in executive session.

Joe Roberts, Chairman

jlm

April 5, 1977

The Joint Select Committee on Employee Compensation meeting was called to order at 7:30 p.m. in room 225 of the State Capitol Building by Senator Joe Roberts, Chairman. The roll call was taken and a quorum was present.

EXECUTIVE SESSION

House Bill 834, continued:

Section 9: Refer to amendment #5 on the newest sheet from Mike Billings. Rep. South suggested striking "or systems for specific occupational groups negotiated" from line 3 of the proposed amendment, and inserting "negotiated with the blue collar crafts and teachers". After this session, he stated, there will be only about 60 teachers to deal with; this needs to be tightened up. If it is not tightened, the majority of the contracts that have been signed by the executive will be adopted. This committee must decide what to do about a blue collar pay plan; the decision must be made this session.

MOTION: Rep. South moved that Amendment #5 on Mike Billings' proposals be adopted with several changes to it. On the first line, following "Section 9."; strike "Exclusive procedure." and insert: "Exceptions for collective bargaining. (a)". Line 3 would be amended as indicated above. On line 7, following "plan.", insert "(b)"

Discussion: Mr. Judge indicated they have had some misgivings in the AFSCME membership that they may not want to go on a blue collar plan, and they feel this language would mandate that. Rep. South said it would not but the committee must narrow this down to the intent of the committee.

VOICE VOTE: The motion carried with a vote of 5-1; Rep. Tropila voting NO; Representatives Ellis and Driscoll and Senator Himsl absent.

Section 2: MOTION: Rep. South moved to amend section 2 as set forth in Amendment #1 on the attached sheet.

VOICE VOTE: The motion carried with a vote of 5-1; Rep. Tropila voting NO; Representatives Ellis and Driscoll and Senator Himsl absent.

Section 7: Rep. South asked that the committee reconsider its actions taken this morning; there was no objection by the committee.

Rep. South said that once the exception is made of not hiring at step one, they can bring someone on at a step higher than step one and that would defeat the purpose of having the step one provision. He suggested that this section be stricken in its entirety and remain silent on the issue. That provision was placed in by the Senate. He felt that some of these things could be worked out internally without having it in the statutes.

MOTION: Rep. South moved that section 7 be stricken in its entirety (Section 7. New hires.)

VOICE VOTE: The motion carried unanimously. (6-0)

Section 10. MOTION: Rep. South moved that Mike Billings' amendment #6 be adopted.

VOICE VOTE: The motion carried unanimously. (6-0)

New Section 13. Refer to the proposed amendments set forth by John LaFaver on the attached sheet. In discussing the first amendment, Mr. LaFaver said that "employees" is used differently in section 11-1024 than in section 1; therefore, the amendment is necessary. In discussing the new section, Mr. LaFaver said that all employees except collective bargaining units shall receive $240 per year in 1978 and $360 per year every year thereafter. Local governments would be left at $10 per month. An amendment to the title will also be required.

Rep. South said he has a problem with the language "... the employer shall pay the amount negotiated with the collective bargaining unit." That language makes it mandatory, where the language proposed by Mr. Billings was more permissive. Mr. LaFaver responded that for the time period we are talking about the employer shall pay the amount negotiated; that amount is subtracted from the amount in the matrix. If the word "may" is used, they have to negotiate but don't necessarily have to pay it. Rep. South said that is right, because the legislature has the final say. Senator Stephens said that whatever they agree to in negotiations, they are going to have to abide by that subject to the formula; he did not see a problem with the language. Rep. South commented that his problem is not with the language here for this pay plan but with what the law will be when they look at it in two years from now in the next legislative session. Senator Roberts felt that the term "negotiated" might be broad enough to get around the problems. Senator Fasbender said that anything negotiated is not final until the legislature approves it.

Senator Roberts felt that there could be a problem with part time and seasonal employees and the amounts of $240 and $260 and proposed that after the "...and $260 per year for each fiscal year thereafter." the following should be inserted: "The employer shall prorate this amount for employees who work less than 2,080 hours a year."

MOTION: Rep. South moved that the amendments proposed by John LaFaver be adopted with the above sentence added at the designated point in the new section 13. Also the title would be amended to add ";AMEND SECTION 11-1024, R.C.M. 1949".

VOICE VOTE: The motion carried unanimously. (6-0)

MOTION: Senator Stephens moved that H.B. 834 AS AMENDED DO PASS.

ROLL CALL VOTE: The motion carried with a vote of 6-0 (3 absent).

That SJR 25 be concurred in. (81-7)

That SJR 39 be concurred in. (83-5)

That SB 121 be passed for the day.

That SB 150 be concurred in. (86-0)

That SB 177 be concurred in. (84-5)

That SB 344 be amended as follows:

1. Amend page 1.
Strike: line 25

2. Amend page 2.
Strike: lines 1 and 2 (71-21)

And as amended, be concurred in. (47-46)

That SB 381 be passed for the day.

That SB 268 be passed for the day.

That the committee rise and report. (Lynch, Chairman)

Ramirez moved that SB 359 be segregated from the Committee of the Whole report. Lynch moved the previous question. Motion carried. Thereupon Ramirez' motion failed.

Bradley moved that SB 120 be segregated from the Committee of the Whole report and as amended be adopted. Motion carried.

REPORTS OF STANDING COMMITTEES

Will be signed by the Speaker on adjournment, 4/6/77 - SB 228.

JOINT SELECT COMMITTEE ON EMPLOYEE COMPENSATION (South, Chairman): 4/6/77

HB 834, introduced bill, be amended as follows:

1. Amend title, page 1, line 6.
Following: "biennium"
Insert: "; amending section 11-1024, R.C.M. 1947"

2. Amend page 1, section 1, line 9.
Following: "act"
Insert: "except for the section amending 11-1024,"

3. Amend page 1, section 2, line 21.
Following: "law."
Strike: "The"
Insert: "Except as provided in (section 7)* for collective bargaining units, the"

4. Amend page 2, section 2, line 3.
Following: "law."
Strike: "The"
Insert: "Except as provided in (section 7)* for collective bargaining units, the"

5. Amend page 7, section 5, lines 6 through 13.
Following: line 5
Strike: section 5 in its entirety
Insert: "Section 5. Allocation between wages and health insurance. (a) The dollar amounts shown in the respective matrices in (sec-

tions 3 and 4)* represent the maximum amount allocated by the state for wages and health insurance benefits, and exclusive of longevity as defined in (section 6).* Except as provided in paragraph (b) of this section, that amount specifically allocated for health insurance benefits shall be determined by 11-1024. An employee who elects not to be covered by a state health insurance plan will receive as wages the amount shown in the appropriate matrix less the state contribution for health insurance as determined by 11-1024.

(b) Employees may, through collective bargaining, determine the allocation of the amounts shown in the matrices of (sections 3 and 4)* between wages and health insurance benefits, except that in no case may the health insurance allocation be less than the amounts provided in 11-1024."

6. Amend page 7, section 6, lines 14 through 22.
Following: line 13
Strike: section 6 in its entirety
Renumber: subsequent sections

7. Amend page 7, section 7, lines 23 through 2 on page 8.
Following: line 22
Strike: section 7 in its entirety
Renumber: subsequent sections

8. Amend page 8, section 9, lines 15 through 23.
Following: line 14
Strike: section 9 in its entirety
Insert: "Section 7. Exceptions for collective bargaining. (a) The procedure established in this act for increasing compensation for state employees is in lieu of and supersedes any other such plans or systems except those plans negotiated with the blue collar crafts and teachers in accordance with provisions of section 59, chapter 16, R.C.M. The total amount of compensation which may be used to implement any such plan may not exceed the total amount of funding that would be required to fund application of the matrices in (sections 3 and 4)* to the employees covered by the negotiated plan.

(b) A member of a bargaining unit may receive negotiated increases in compensation only after the bargaining unit has ratified the negotiated plan or system for the biennium. Should such negotiations and subsequent ratification process not be completed by the beginning of the biennium, retroactivity to the beginning of the biennium shall be negotiable."

9. Amend page 9, section 10, line 1.
Following: "act"
Insert: ", collective bargaining statutes or negotiated contracts,"

10. Amend page 9, line 18.
Following: line 18
Insert: "Section 11. Section 11-1024, R.C.M. 1947, is amended to read as follows:

'11-1024. Group insurance for all departments, bureaus, boards, commissions and agencies of the state of Montana, county, city, and town officers and employees — authority — approval of employees — limit on contributions. (1) All departments, bureaus, boards, commissions and agencies of the state of Montana, and all counties, cities, and towns shall upon approval by two-thirds (⅔) vote of the

officers and employees of each such department, bureau, board, commission, agency, county, city and town, enter into group hospitalization, medical, health including long-term disability, accident and/or group life insurance contracts or plans for the benefit of their officers, employees and their dependents, and the respective administrative and governing bodies shall pay for such insurance (ten dollars ($10) per month) the amount specified in this section. (for each officer, employee, and legislator, and provided that for) For all employees as defined in subsection (2) of this section other than members of collective bargaining units and for members of the legislature, such payment for insurance (may be an amount equal to twelve (12) times the monthly rate, but may not exceed one hundred twenty dollars ($120)) shall be $240 per year for the fiscal year ending June 30, 1978 and $360 per year for each fiscal year thereafter. The employer shall prorate this amount for employees who work less than 2,080 hours per year. (However, for) For employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but shall not be less than (the amount specified in this section) $10 per month.

For state employee members of a collective bargaining unit, the employer shall pay the amount negotiated with the collective bargaining unit.

(2) In this section, as it applies to a person employed in the executive or legislative branches of state government, 'employee' means:

(a) a permanent full-time employee as defined in section 59-1007.1;

(b) a part-time employee as defined in section 59-1007.1 who is scheduled to work at least twenty (20) hours per week;

(c) a person employed in a seasonal position as defined in section 59-1007.1 who is employed on a regular basis at least eight (8) months of the fiscal year.'"

(Material in parentheses denotes cancelled type.)

*(Material in parentheses denotes information bracketed by compiler.)

And as amended, do pass. Report adopted.

SB 233, be concurred in. Report adopted.

TAXATION (Huennekens, Chairman): 4/6/77
HJR 98, do pass. Report adopted.
HJR 99, do pass. Report adopted.
SB 211, be not concurred in.
SB 309, be concurred in. Report adopted.
SB 350, be not concurred in.
SB 384, be concurred in. Report adopted.
SJR 29, be concurred in. Report adopted.

NATURAL RESOURCES (Shelden, Chairman): 4/6/77
HJR 97, introduced bill, be amended as follows:

1. Amend page 1, line 12.
Following: "to"
Strike: "800"
Insert: "1220"

HB 0834/02

Approved by Select Comm. on Emp. Comp.

HOUSE BILL NO. 834

INTRODUCED BY SOUTH,

DRISCOLL, MARKS, MOORE, MELOY

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH AND FUND A COMPENSATION PLAN FOR STATE EMPLOYEES FOR THE 1979 BIENNIUM; AMENDING SECTION 11-1024, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Definitions. As used in this act, EXCEPT FOR THE SECTION AMENDING 11-1024, the following definitions apply:

(1) "Employee" means any state employee other than an employee excepted under 59-904 from the statewide classification system.

(2) "Compensation" means the annual wage or salary plus the annual state contribution of health insurance premiums under provisions of 11-1024.

Section 2. Procedures for utilizing pay schedules. (1) The pay matrix provided in section 3 indicates the annual compensation for the fiscal year ending June 30, 1978, for each step and grade for positions classified under provisions of law. ~~The~~ EXCEPT AS PROVIDED IN [SECTION 7] FOR COLLECTIVE BARGAINING UNITS, THE compensation of each employee shall, on the first day of the first pay period in July, 1977, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1977.

(2) The pay matrix provided in section 4 indicates the annual compensation for the fiscal year ending June 30, 1979, for each step and grade for positions classified under provisions of law. ~~The~~ EXCEPT AS PROVIDED IN [SECTION 7] FOR COLLECTIVE BARGAINING UNITS, THE compensation of each employee shall, on the first day of the first pay period in July, 1978, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1978.

Section 3. Pay matrix for fiscal year ending June 30, 1978.

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
1.0			5,323	5,410	5,498	5,611
2.0	5,498	5,611	5,725	5,846	5,968	6,094
3.0	5,968	6,094	6,222	6,349	6,477	6,617
4.0	6,477	6,617	6,759	6,900	7,041	7,189
5.0	7,041	7,189	7,336	7,497	7,658	7,826
6.0	7,658	7,826	7,994	8,168	8,342	8,523
7.0	8,342	8,523	8,705	8,893	9,081	9,282
8.0	9,081	9,282	9,483	9,691	9,900	10,121
9.0	9,900	10,121	10,342	10,570	10,798	11,040
9.5	10,349	10,580	10,812	11,050	11,289	11,540

SECOND READING

1	10.0	10,798	11,040	11,282	11,530	11,778	12,040
2	10.5	11,291	11,540	11,793	12,057	12,321	12,598
3	11.0	11,778	12,040	12,302	12,583	12,865	13,153
4	11.5	12,321	12,598	12,875	13,165	13,459	13,758
5	12.0	12,865	13,153	13,442	13,744	14,046	14,361
6	12.5	13,459	13,758	14,060	14,376	14,691	15,023
7	13.0	14,046	14,361	14,677	15,006	15,335	15,684
8	14.0	15,335	15,670	16,006	16,342	16,676	17,012
9	15.0	16,757	17,093	17,429	17,764	18,099	18,435
10	16.0	18,327	18,663	18,999	19,334	19,670	20,005
11	17.0	20,032	20,367	20,703	21,039	21,374	21,710
12	18.0	21,911	22,246	22,582	22,918	23,253	23,588
13	19.0	23,978	24,314	24,648	24,984	25,320	25,656
14	20.0	26,233	26,567	26,903	27,239	27,575	27,910
15	21.0	28,716	29,091	29,386	29,722	30,058	30,393
16	22.0	31,439	31,775	32,111	32,446	32,782	33,117
17	23.0	34,419	34,754	35,090	35,426	35,762	36,096
18	24.0	37,694	38,030	38,365	38,700	39,036	39,371
19	25.0	41,291	41,626	41,962	42,298	42,632	42,968

20	Grade	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13
21	1.0	5,725	5,846	5,968	6,047	6,128	6,209	6,289
22	2.0	6,222	6,349	6,477	6,564	6,651	6,738	6,826
23	3.0	6,759	6,900	7,041	7,133	7,228	7,329	7,430
24	4.0	7,336	7,497	7,658	7,766	7,872	7,980	8,087
25	5.0	7,994	8,168	8,342	8,457	8,570	8,691	8,812

1	6.0	8,705	8,893	9,081	9,208	9,336	9,463	9,591
2	7.0	9,483	9,691	9,900	10,040	10,181	10,322	10,463
3	8.0	10,342	10,570	10,798	10,953	11,108	11,261	11,416
4	9.0	11,282	11,530	11,778	11,946	12,114	12,289	12,463
5	9.5	11,792	12,057	12,321	12,496	12,670	12,853	13,034
6	10.0	12,302	12,583	12,865	13,046	13,227	13,416	13,604
7	10.5	12,875	13,165	13,459	13,650	13,839	14,037	14,233
8	11.0	13,442	13,744	14,046	14,248	14,449	14,657	14,865
9	11.5	14,060	14,376	14,691	14,904	15,115	15,334	15,553
10	12.0	14,677	15,006	15,335	15,557	15,778	16,006	16,234
11	12.5	15,357	15,700	16,047	16,277	16,509	16,745	16,988
12	13.0	16,033	16,395	16,757	16,999	17,240	17,489	17,737
13	14.0	17,348	17,684	18,019	18,355	18,690	18,857	19,025
14	15.0	18,770	19,106	19,442	19,777	20,112	20,280	20,448
15	16.0	20,341	20,676	21,012	21,348	21,682	21,850	22,018
16	17.0	22,046	22,380	22,716	23,052	23,387	23,555	23,723
17	18.0	23,924	24,259	24,595	24,931	25,267	25,433	25,601
18	19.0	25,990	26,326	26,662	26,997	27,333	27,501	27,669
19	20.0	28,246	28,582	28,916	29,252	29,588	29,756	29,924
20	21.0	30,728	31,064	31,399	31,735	32,071	32,239	32,407
21	22.0	33,453	33,788	34,124	34,460	34,795	34,962	35,130
22	23.0	36,432	36,768	37,103	37,439	37,775	37,942	38,109
23	24.0	39,707	40,043	40,378	40,713	41,049	41,217	41,385
24	25.0	43,304	43,639	43,975	44,310	44,646	44,813	44,981

25 Section 4. Pay matrix for fiscal year ending June 30,

1	1979.						
2	Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
3	1.0			6,031	6,120	6,210	6,326
4	2.0	6,210	6,326	6,443	6,567	6,691	6,820
5	3.0	6,691	6,820	6,951	7,081	7,212	7,356
6	4.0	7,212	7,356	7,501	7,645	7,790	7,941
7	5.0	7,790	7,941	8,092	8,256	8,421	8,593
8	6.0	8,421	8,593	8,765	8,943	9,121	9,306
9	7.0	9,121	9,306	9,493	9,685	9,878	10,083
10	8.0	9,878	10,083	10,289	10,502	10,716	10,942
11	9.0	10,716	10,942	11,168	11,402	11,635	11,883
12	9.5	11,175	11,412	11,649	11,893	12,137	12,394
13	10.0	11,635	11,883	12,130	12,384	12,638	12,906
14	10.5	12,139	12,394	12,653	12,923	13,194	13,477
15	11.0	12,638	12,906	13,174	13,462	13,750	14,045
16	11.5	13,194	13,477	13,761	14,058	14,358	14,664
17	12.0	13,750	14,045	14,341	14,650	14,959	15,282
18	12.5	14,358	14,664	14,974	15,297	15,619	15,959
19	13.0	14,959	15,282	15,605	15,942	16,278	16,636
20	14.0	16,278	16,621	16,965	17,309	17,651	17,995
21	15.0	17,734	18,078	18,422	18,765	19,107	19,451
22	16.0	19,341	19,685	20,029	20,371	20,715	21,058
23	17.0	21,086	21,429	21,773	22,117	22,459	22,803
24	18.0	23,009	23,352	23,696	24,040	24,383	24,725
25	19.0	25,125	25,469	25,810	26,154	26,498	26,842

1	20.0	27,433	27,774	28,118	28,462	28,806	29,149
2	21.0	29,974	30,358	30,660	31,004	31,347	31,690
3	22.0	32,761	33,105	33,449	33,792	34,135	34,478
4	23.0	35,811	36,154	36,498	36,842	37,186	37,527
5	24.0	39,163	39,507	39,850	40,193	40,536	40,879
6	25.0	42,844	43,187	43,531	43,875	44,217	44,561
7	Grade	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13
8	1.0	6,443	6,567	6,691	6,772	6,855	6,938	7,020
9	2.0	6,951	7,081	7,212	7,301	7,390	7,479	7,570
10	3.0	7,501	7,645	7,790	7,884	7,981	8,084	8,188
11	4.0	8,092	8,256	8,421	8,532	8,640	8,751	8,860
12	5.0	8,765	8,943	9,121	9,239	9,355	9,478	9,602
13	6.0	9,493	9,685	9,878	10,008	10,139	10,269	10,400
14	7.0	10,289	10,502	10,716	10,859	11,003	11,148	11,292
15	8.0	11,168	11,402	11,635	11,794	11,952	12,109	12,267
16	9.0	12,130	12,384	12,638	12,810	12,982	13,161	13,339
17	9.5	12,652	12,923	13,194	13,373	13,551	13,738	13,923
18	10.0	13,174	13,462	13,750	13,936	14,121	14,314	14,507
19	10.5	13,761	14,058	14,358	14,554	14,747	14,950	15,151
20	11.0	14,341	14,650	14,959	15,166	15,372	15,585	15,797
21	11.5	14,974	15,297	15,619	15,837	16,053	16,277	16,502
22	12.0	15,605	15,942	16,278	16,506	16,732	16,965	17,199
23	12.5	16,301	16,652	17,007	17,243	17,480	17,722	17,970
24	13.0	16,993	17,363	17,734	17,982	18,228	18,483	18,737
25	14.0	18,339	18,683	19,026	19,369	19,712	19,883	20,055

15.0	19,794	20,138	20,482	20,825	21,168	[illegible]	21,512
16.0	21,402	21,745	22,089	22,433	22,775	22,947	23,119
17.0	23,147	23,489	23,833	24,177	24,520	24,692	24,864
18.0	25,069	25,412	25,756	26,100	26,444	26,614	26,786
19.0	27,184	27,528	27,872	28,215	28,558	28,730	28,902
20.0	29,493	29,837	30,179	30,523	30,866	31,038	31,210
21.0	32,033	32,377	32,720	33,064	33,408	33,580	33,752
22.0	34,822	35,165	35,509	35,853	36,196	36,367	36,539
23.0	37,871	38,215	38,559	38,902	39,246	39,417	39,588
24.0	41,223	41,567	41,910	42,253	42,597	42,769	42,941
25.0	44,905	45,248	45,592	45,934	46,278	46,449	46,621

~~Section 5. Allocation between wages and health insurance contribution. The compensation indicated in the matrices plus the longevity allowance provided in section 6 is the entire compensation per employee for wages and health benefits. Any employee may, through collective bargaining or individually if not a member of a bargaining unit, determine the allocation between the annual wage and annual contribution for health insurance paid by the state.~~

SECTION 5. ALLOCATION BETWEEN WAGES AND HEALTH INSURANCE. (A) THE DOLLAR AMOUNTS SHOWN IN THE RESPECTIVE MATRICES IN [SECTIONS 3 AND 4] REPRESENT THE MAXIMUM AMOUNT ALLOCATED BY THE STATE FOR WAGES AND HEALTH INSURANCE BENEFITS, AND EXCLUSIVE OF LONGEVITY AS DEFINED IN [SECTION 6]. EXCEPT AS PROVIDED IN PARAGRAPH (B) OF THIS SECTION,

THAT AMOUNT SPECIFICALLY ALLOCATED FOR HEALTH INSURANCE BENEFITS SHALL BE DETERMINED BY 11-1024. AN EMPLOYEE WHO ELECTS NOT TO BE TO COVERED BY A STATE HEALTH INSURANCE PLAN WILL RECEIVE AS WAGES THE AMOUNT SHOWN IN THE APPROPRIATE MATRIX LESS THE STATE CONTRIBUTION FOR HEALTH INSURANCE AS DETERMINED BY 11-1024.

(B) EMPLOYEES MAY, THROUGH COLLECTIVE BARGAINING, DETERMINE THE ALLOCATION OF THE AMOUNTS SHOWN IN THE MATRICES OF [SECTIONS 3 AND 4] BETWEEN WAGES AND HEALTH INSURANCE BENEFITS, EXCEPT THAT IN NO CASE MAY THE HEALTH INSURANCE ALLOCATION BE LESS THAN THE AMOUNTS PROVIDED IN 11-1024.

~~Section 6. Merit pay promotions. In addition to the pay increases provided above, agency directors may grant one-grade promotions to employees who have demonstrated exceptionally meritorious performance. The total cost of such promotions may not exceed 1% of the total budgeted wages and salaries as approved by the budget director in the appropriations budget. Promotions are exclusively a management prerogative and, notwithstanding any other provision of law, are not negotiable.~~

~~Section 7. New hires. The salary of any employee hired after the effective date of this act shall be at step 1 of the appropriate grade, except that an agency director may, under the budget limitations imposed in section 6,~~

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~~approve a starting salary higher than step 1.~~

Section 6. Longevity allowance. In addition to the compensation determined above, each employee who has completed at least 5 years of uninterrupted state service shall receive the amount obtained by multiplying the larger of $10 a month or 10% of the difference between the base compensation for his grade and step and the base compensation for the corresponding step in the next highest grade by the number of completed, contiguous 5-year periods of uninterrupted service he has with the state. Service to the state may not be considered to have been interrupted by authorized leaves of absence not exceeding 3 months or by military service.

~~Section 9. Exclusive procedure. The procedure established in this act for increasing compensation for state employees is in lieu of and supercedes any other plan or system of pay increases. No contract may be negotiated which provides compensation in excess of that provided in this act. A member of a bargaining unit may receive an increase in compensation only in the event the bargaining unit has ratified a contract with the state covering all compensation for the pertinent fiscal year.~~

SECTION 7. EXCEPTIONS FOR COLLECTIVE BARGAINING. (A) THE PROCEDURE ESTABLISHED IN THIS ACT FOR INCREASING COMPENSATION FOR STATE EMPLOYEES IS IN LIEU OF AND

SUPERCEDES ANY OTHER SUCH PLANS OR SYSTEMS EXCEPT THOSE PLANS NEGOTIATED WITH THE BLUE COLLAR CRAFTS AND TEACHERS IN ACCORDANCE WITH PROVISIONS OF SECTION 59, CHAPTER 16, R.C.M. THE TOTAL AMOUNT OF COMPENSATION WHICH MAY BE USED TO IMPLEMENT ANY SUCH PLAN MAY NOT EXCEED THE TOTAL AMOUNT OF FUNDING THAT WOULD BE REQUIRED TO FUND APPLICATION OF THE MATRICES IN [SECTIONS 3 AND 4] TO THE EMPLOYEES COVERED BY THE NEGOTIATED PLAN.

(B) A MEMBER OF A BARGAINING UNIT MAY RECEIVE NEGOTIATED INCREASES IN COMPENSATION ONLY AFTER THE BARGAINING UNIT HAS RATIFIED THE NEGOTIATED PLAN OR SYSTEM FOR THE BIENNIUM. SHOULD SUCH NEGOTIATIONS AND SUBSEQUENT RATIFICATION PROCESS NOT BE COMPLETED BY THE BEGINNING OF THE BIENNIUM, RETROACTIVITY TO THE BEGINNING OF THE BIENNIUM SHALL BE NEGOTIABLE.

Section 8. Rules. The department of administration, subject to approval by the budget director, may promulgate rules not inconsistent with the provisions of this act, COLLECTIVE BARGAINING STATUTES OR NEGOTIATED CONTRACTS, to carry out the purposes of the act.

Section 9. Appropriation. There is appropriated to the budget director $2,268,225 for the fiscal year ending June 30, 1978, and $5,042,600 for the fiscal year ending June 30, 1979, from the state general fund to carry out the provisions of this act as it pertains to executive branch

30

agencies, not including units of the university system. The budget director is authorized to increase the expenditure authority of executive branch agencies, not including units of the university system, by $3,641,692 for the fiscal year ending June 30, 1978, and by $8,237,724 for the fiscal year ending June 30, 1979, from funds other than the state general funds which accrue under provisions of law to the respective agencies to carry out the provisions of this act.

Section 10. Reversion. Appropriated funds not spent at the end of the fiscal year shall revert to the fund from which they were appropriated.

SECTION 11. SECTION 11-1024, R.C.M. 1947, IS AMENDED TO READ AS FOLLOWS:

"11-1024. Group insurance for all departments, bureaus, boards, commissions and agencies of the state of Montana, county, city, and town officers and employees -- authority -- approval of employees -- limit on contributions. (1) All departments, bureaus, boards, commissions and agencies of the state of Montana, and all counties, cities and towns shall upon approval by two-thirds (2/3) vote of the officers and employees of each such department, bureau, board, commission, agency, county, city and town, enter into group hospitalization, medical, health including long-term disability, accident and/or group life insurance contracts or plans for the benefit of their

officers, employees and their dependents, and the respective administrative and governing bodies shall pay for such insurance ~~ten--dollars-($10)-per-month~~ the amount specified in this section. ~~for-each-officer,-employee,-and-legislator, and-provided-that--for~~ For all employees as defined in subsection (2) of this section other than members of collective bargaining units and for members of the legislature, such payment for insurance ~~may-be-an-amount equal-to-twelve-(12)-times-the-monthly--rate,--but--may--not exceed--one--hundred-twenty-dollars-($120)~~ shall be $240 per year for the fiscal year ending June 30, 1978 and $360 per year for each fiscal year thereafter. The employer shall prorate this amount for employees who work less than 2,080 hours per year. ~~However,-for~~ For employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but shall not be less than ~~the-amount--specified--in--this--section~~ $10 per month.

For state employee members of a collective bargaining unit, the employer shall pay the amount negotiated with the collective bargaining unit.

(2) In this section, as it applies to a person employed in the executive or legislative branches of state government, "employee" means:

(a) a permanent full-time employee as defined in

section 59-1007.1;

(b) a part-time employee as defined in section 59-1007.1 who is scheduled to work at least twenty (20) hours per week;

(c) a person employed in a seasonal position as defined in section 59-1007.1 who is employed on a regular basis at least eight (8) months of the fiscal year."

-End-

Approved by Comm. on Appropriation

HOUSE BILL NO. 834

INTRODUCED BY SOUTH, DRISCOLL, MARKS, MOORE, MELOY

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH AND FUND A COMPENSATION PLAN FOR STATE EMPLOYEES FOR THE 1979 BIENNIUM; AMENDING SECTION 11-1024, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Definitions. As used in this act, EXCEPT FOR THE SECTION AMENDING 11-1024, the following definitions apply:

(1) "Employee" means any state employee other than an employee excepted under 59-904 from the statewide classification system.

(2) "Compensation" means the annual wage or salary plus the annual state contribution of health insurance premiums under provisions of 11-1024.

Section 2. Procedures for utilizing pay schedules. (1) The pay matrix provided in section 3 indicates the annual compensation for the fiscal year ending June 30, 1978, for each step and grade for positions classified under provisions of law. ~~The~~ EXCEPT AS PROVIDED IN [SECTION 7] FOR COLLECTIVE BARGAINING UNITS, THE compensation of each employee shall, on the first day of the first pay period in July, 1977, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1977. THE EMPLOYEE WILL ADVANCE ONE STEP ON THE EMPLOYEE'S ANNIVERSARY DATE AS DETERMINED BY THE DEPARTMENT OF ADMINISTRATION.

(2) The pay matrix provided in section 4 indicates the annual compensation for the fiscal year ending June 30, 1979, for each step and grade for positions classified under provisions of law. ~~The~~ EXCEPT AS PROVIDED IN [SECTION 7] FOR COLLECTIVE BARGAINING UNITS, THE compensation of each employee shall, on the first day of the first pay period in July, 1978, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1978. THE EMPLOYEE WILL ADVANCE ONE STEP ON THE EMPLOYEE'S ANNIVERSARY DATE AS DETERMINED BY THE DEPARTMENT OF ADMINISTRATION.

Section 3. Pay matrix for fiscal year ending June 30, 1978.

~~Grade----Step-1---Step-2---Step-3---Step-4---Step-5---Step-6~~
~~1.0----------5,323----5,416----5,498----5,611~~
~~2.0------5,498----5,611----5,725----5,846----5,968----6,094~~
~~3.0------5,968----6,094----6,222----6,349----6,477----6,617~~
~~4.0------6,477----6,617----6,759----6,908----7,041----7,189~~
~~5.0------7,041----7,189----7,336----7,497----7,658----7,826~~
~~6.0------7,658----7,826----7,994----8,160----8,342----8,523~~

SECOND READING
Second Printing

33

1	-7▪0------8▾342----8▾523----8▾705----8▾893----9▾081----9▾282
2	-8▪0------9▾081----9▾282----9▾483----9▾691----9▾900---10▾121
3	-9▪0------9▾900---10▾121---10▾342---10▾570---10▾798---11▾040
4	-9▪5-----10▾349---10▾580---10▾812---11▾050---11▾289---11▾540
5	10▪0-----10▾798---11▾040---11▾282---11▾530---11▾778---12▾040
6	10▪5-----11▾291---11▾540---11▾793---12▾057---12▾321---12▾598
7	11▪0-----11▾778---12▾040---12▾302---12▾583---12▾865---13▾153
8	11▪5-----12▾321---12▾598---12▾875---13▾165---13▾459---13▾758
9	12▪0-----12▾865---13▾153---13▾442---13▾744---14▾046---14▾361
10	12▪5-----13▾459---13▾758---14▾060---14▾376---14▾691---15▾023
11	13▪0-----14▾046---14▾361---14▾677---15▾006---15▾335---15▾684
12	14▪0-----15▾335---15▾670---16▾006---16▾342---16▾676---17▾012
13	15▪0-----16▾757---17▾093---17▾429---17▾764---18▾099---18▾435
14	16▪0-----18▾327---18▾663---18▾999---19▾334---19▾670---20▾005
15	17▪0-----20▾032---20▾367---20▾703---21▾039---21▾374---21▾710
16	18▪0-----21▾911---22▾246---22▾582---22▾918---23▾253---23▾588
17	19▪0-----23▾970---24▾314---24▾648---24▾984---25▾320---25▾656
18	20▪0-----26▾233---26▾567---26▾903---27▾239---27▾575---27▾910
19	21▪0-----28▾716---29▾091---29▾386---29▾722---30▾058---30▾393
20	22▪0-----31▾439---31▾775---32▾111---32▾446---32▾782---33▾117
21	23▪0-----34▾419---34▾754---35▾090---35▾426---35▾762---36▾096
22	24▪0-----37▾694---38▾030---38▾365---38▾700---39▾036---39▾371
23	25▪0-----41▾291---41▾626---41▾962---42▾298---42▾632---42▾968
24	Grade--Step-7-Step-8--Step-9-Step-10-Step-11-Step-12-Step-13
25	-1▪0---5▾725---5▾846---5▾968---6▾047---6▾128---6▾209---6▾269

1	-2▪6---6▾222---6▾349---6▾477---6▾564---6▾651---6▾738---6▾826
2	-3▪0---6▾759---6▾900---7▾041---7▾133---7▾226---7▾329---7▾430
3	-4▪0---7▾336---7▾497---7▾650---7▾766---7▾872---7▾980---8▾087
4	-5▪0---7▾994---8▾168---8▾342---8▾457---8▾570---8▾691---8▾812
5	-6▪0---8▾705---8▾893---9▾081---9▾208---9▾336---9▾463---9▾591
6	-7▪0---9▾483---9▾691---9▾900--10▾040--10▾181--10▾322--10▾463
7	-8▪0--10▾342--10▾570--10▾798--10▾953--11▾100--11▾261--11▾416
8	-9▪0--11▾282--11▾530--11▾778--11▾946--12▾114--12▾289--12▾463
9	-9▪5--11▾792--12▾057--12▾321--12▾496--12▾670--12▾853--13▾034
10	10▪0--12▾302--12▾583--12▾865--13▾046--13▾227--13▾416--13▾604
11	10▪5--12▾075--13▾165--13▾459--13▾650--13▾839--14▾037--14▾233
12	11▪0--13▾442--13▾744--14▾046--14▾248--14▾449--14▾657--14▾865
13	11▪5--14▾060--14▾376--14▾691--14▾904--15▾115--15▾334--15▾553
14	12▪0--14▾677--15▾006--15▾335--15▾557--15▾778--16▾006--16▾234
15	12▪5--15▾357--15▾700--16▾047--16▾277--16▾509--16▾745--16▾988
16	13▪0--16▾033--16▾395--16▾757--16▾999--17▾240--17▾489--17▾737
17	14▪0--17▾348--17▾684--18▾019--18▾355--18▾690--18▾057--19▾025
18	15▪0--18▾770--19▾106--19▾442--19▾777--20▾112--20▾280--20▾448
19	16▪0--20▾341--20▾676--21▾012--21▾348--21▾682--21▾850--22▾018
20	17▪0--22▾046--22▾380--22▾716--23▾052--23▾387--23▾555--23▾723
21	18▪0--23▾924--24▾259--24▾595--24▾931--25▾267--25▾433--25▾601
22	19▪0--25▾990--26▾326--26▾662--26▾997--27▾333--27▾501--27▾669
23	20▪0--28▾246--28▾582--28▾918--29▾252--29▾588--29▾756--29▾924
24	21▪0--30▾728--31▾064--31▾399--31▾735--32▾071--32▾239--32▾407
25	22▪0--33▾453--33▾788--34▾124--34▾460--34▾795--34▾962--35▾130

1	~~23v0--36v432--36v768--37v103--37v439--37v775--37v942--38v109~~
2	~~24v0--39v707--40v043--40v378--40v713--41v049--41v217--41v385~~
3	~~25v0--43v304--43v639--43v975--44v310--44v646--44v813--44v981~~

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12	STEP 13
1.0			5,206	5,323	5,410	5,498	5,611	5,725	5,846	5,968	6,047	6,128	6,209
2.0	5,377	5,498	5,611	5,725	5,846	5,968	6,094	6,222	6,349	6,477	6,564	6,651	6,738
3.0	5,834	5,968	6,094	6,222	6,349	6,477	6,617	6,759	6,900	7,041	7,133	7,228	7,329
4.0	6,334	6,477	6,617	6,759	6,900	7,041	7,189	7,336	7,497	7,658	7,766	7,872	7,980
5.0	6,885	7,041	7,189	7,336	7,497	7,658	7,826	7,994	8,168	8,342	8,457	8,570	8,691
6.0	7,488	7,658	7,826	7,994	8,168	8,342	8,523	8,705	8,893	9,081	9,208	9,336	9,463
7.0	8,156	8,342	8,523	8,705	8,893	9,081	9,282	9,483	9,691	9,900	10,040	10,181	10,322
8.0	8,878	9,081	9,282	9,483	9,691	9,900	10,121	10,342	10,570	10,798	10,953	11,108	11,261
9.0	9,679	9,900	10,121	10,342	10,570	10,798	11,040	11,282	11,530	11,778	11,946	12,114	12,289
9.5	10,117	10,349	10,580	10,812	11,050	11,289	11,540	11,792	12,057	12,321	12,496	12,670	12,853
10.0	10,556	10,798	11,040	11,282	11,530	11,778	12,040	12,302	12,583	12,865	13,046	13,227	13,414
10.5	11,037	11,291	11,540	11,793	12,057	12,321	12,598	12,875	13,165	13,459	13,650	13,839	14,037
11.0	11,513	11,778	12,040	12,302	12,583	12,865	13,153	13,442	13,744	14,046	14,248	14,449	14,657
11.5	12,044	12,321	12,598	12,875	13,165	13,459	13,758	14,060	14,376	14,691	14,904	15,115	15,334
12.0	12,575	12,865	13,153	13,442	13,744	14,046	14,361	14,677	15,005	15,335	15,557	15,778	16,004
12.5	13,155	13,459	13,758	14,060	14,376	14,691	15,023	15,357	15,700	16,047	16,277	16,509	16,745
13.0	13,739	14,046	14,361	14,677	15,006	15,335	15,684	16,033	16,395	16,757	16,999	17,240	17,489
14.0	14,988	15,335	15,670	16,006	16,342	16,676	17,012	17,348	17,684	18,019	18,355	18,690	18,957
15.0	16,378	16,757	17,093	17,429	17,764	18,099	18,435	18,770	19,106	19,442	19,777	20,112	20,380
16.0	17,912	18,327	18,663	18,998	19,334	19,670	20,005	20,341	20,676	21,012	21,348	21,682	21,950
17.0	19,578	20,032	20,367	20,703	21,039	21,374	21,710	22,046	22,380	22,716	23,052	23,387	23,655
18.0	21,413	21,911	22,246	22,582	22,918	23,253	23,588	23,924	24,259	24,595	24,931	25,267	25,433
19.0	23,433	23,978	24,314	24,648	24,984	25,320	25,656	25,990	26,326	26,662	26,997	27,333	27,601
20.0	25,636	26,233	26,567	26,903	27,239	27,575	27,910	28,246	28,582	28,916	29,252	29,588	29,756
21.0	28,062	28,716	29,091	29,386	29,722	30,058	30,393	30,728	31,064	31,399	31,735	32,071	32,239
22.0	30,723	31,439	31,775	32,111	32,446	32,782	33,117	33,453	33,788	34,124	34,460	34,795	34,962
23.0	33,634	34,419	34,754	35,090	35,426	35,762	36,096	36,432	36,768	37,103	37,439	37,775	37,943
24.0	36,834	37,694	38,030	38,365	38,700	39,036	39,371	39,707	40,043	40,378	40,713	41,049	41,217
25.0	40,348	41,291	41,626	41,962	42,298	42,632	42,969	43,304	43,639	43,975	44,310	44,646	44,813

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Section 4. Pay matrix for fiscal year ending June 30, 1979.

Grade	Step-1	Step-2	Step-3	Step-4	Step-5	Step-6
1.0				6,031	6,120	6,210	6,326
2.0	6,210	6,326	6,443	6,567	6,691	6,820
3.0	6,691	6,820	6,951	7,081	7,212	7,356
4.0	7,212	7,356	7,501	7,645	7,790	7,941
5.0	7,790	7,941	8,092	8,256	8,421	8,593
6.0	8,421	8,593	8,765	8,943	9,121	9,306
7.0	9,121	9,306	9,493	9,685	9,878	10,083
8.0	9,878	10,083	10,289	10,502	10,716	10,942
9.0	10,716	10,942	11,168	11,402	11,635	11,883
9.5	11,175	11,412	11,649	11,893	12,137	12,394
10.0	11,635	11,883	12,130	12,384	12,638	12,906
10.5	12,139	12,394	12,653	12,923	13,194	13,477
11.0	12,638	12,906	13,174	13,462	13,750	14,045
11.5	13,194	13,477	13,761	14,058	14,358	14,664
12.0	13,750	14,045	14,341	14,650	14,959	15,282
12.5	14,358	14,664	14,974	15,297	15,619	15,959
13.0	14,959	15,282	15,605	15,942	16,278	16,636
14.0	16,278	16,621	16,965	17,309	17,651	17,995
15.0	17,734	18,078	18,422	18,765	19,107	19,451
16.0	19,341	19,685	20,029	20,371	20,715	21,058
17.0	21,086	21,429	21,773	22,117	22,459	22,803
18.0	23,009	23,352	23,696	24,040	24,383	24,725

Grade	Step-7	Step-8	Step-9	Step-10	Step-11	Step-12	Step-13
1.0	6,443	6,567	6,691	6,772	6,855	6,938	7,020
2.0	6,951	7,081	7,212	7,301	7,390	7,479	7,570
3.0	7,501	7,645	7,790	7,884	7,981	8,084	8,188
4.0	8,092	8,256	8,421	8,532	8,640	8,751	8,860
5.0	8,765	8,943	9,121	9,239	9,355	9,478	9,602
6.0	9,493	9,685	9,878	10,008	10,139	10,269	10,400
7.0	10,289	10,502	10,716	10,859	11,003	11,148	11,292
8.0	11,168	11,402	11,635	11,794	11,952	12,109	12,267
9.0	12,130	12,384	12,638	12,810	12,982	13,161	13,339
9.5	12,652	12,923	13,194	13,373	13,551	13,738	13,923
10.0	13,174	13,462	13,750	13,936	14,121	14,314	14,507
10.5	13,761	14,058	14,358	14,554	14,747	14,950	15,151
11.0	14,341	14,650	14,959	15,166	15,372	15,585	15,797
11.5	14,974	15,297	15,619	15,837	16,053	16,277	16,502
12.0	15,605	15,942	16,278	16,506	16,732	16,965	17,199
12.5	16,301	16,652	17,007	17,243	17,480	17,722	17,970
13.0	16,993	17,363	17,734	17,982	18,228	18,483	18,737

1	14.0	--	18.339	--	18.683	--	19.026	--	19.369	--	19.712	--	19.883	--	20.055
2	15.0	--	19.794	--	20.138	--	20.482	--	20.825	--	21.168	--	21.340	--	21.512
3	16.0	--	21.402	--	21.745	--	22.089	--	22.433	--	22.775	--	22.947	--	23.119
4	17.0	--	23.147	--	23.489	--	23.833	--	24.177	--	24.520	--	24.692	--	24.864
5	18.0	--	25.069	--	25.412	--	25.756	--	26.100	--	26.444	--	26.614	--	26.786
6	19.0	--	27.184	--	27.528	--	27.872	--	28.215	--	28.558	--	28.730	--	28.902
7	20.0	--	29.493	--	29.837	--	30.179	--	30.523	--	30.866	--	31.038	--	31.210
8	21.0	--	32.033	--	32.377	--	32.720	--	33.064	--	33.408	--	33.580	--	33.752
9	22.0	--	34.822	--	35.165	--	35.509	--	35.853	--	36.196	--	36.367	--	36.539
10	23.0	--	37.871	--	38.215	--	38.558	--	38.902	--	39.246	--	39.417	--	39.588
11	24.0	--	41.223	--	41.567	--	41.910	--	42.253	--	42.597	--	42.769	--	42.941
12	25.0	--	44.905	--	45.248	--	45.592	--	45.934	--	46.278	--	46.449	--	46.621

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12	STEP 13
1.0			5.784	5.911	6.031	6.120	6.210	6.326	6.443	6.547	6.691	6.772	6.855
2.0	5.955	6.086	6.210	6.326	6.443	6.567	6.691	6.820	6.951	7.081	7.219	7.301	7.390
3.0	6.414	6.556	6.691	6.820	6.951	7.081	7.212	7.354	7.501	7.645	7.790	7.884	7.981
4.0	6.912	7.066	7.212	7.356	7.501	7.645	7.790	7.941	8.092	8.256	8.421	8.532	8.640
5.0	7.463	7.630	7.790	7.941	8.092	8.256	8.421	8.593	8.765	8.943	9.121	9.239	9.355
6.0	8.066	8.247	8.421	8.593	8.765	8.943	9.121	9.306	9.493	9.685	9.878	10.008	10.139
7.0	8.734	8.931	9.121	9.306	9.493	9.685	9.878	10.083	10.289	10.502	10.716	10.859	11.003
8.0	9.456	9.670	9.878	10.083	10.289	10.502	10.716	10.942	11.168	11.402	11.635	11.794	11.952
9.0	10.256	10.489	10.716	10.942	11.168	11.402	11.635	11.882	12.130	12.384	12.639	12.810	12.982
9.5	10.695	10.938	11.175	11.412	11.649	11.893	12.137	12.394	12.652	12.923	13.194	13.373	13.551
10.0	11.134	11.387	11.635	11.883	12.130	12.384	12.638	12.906	13.174	13.462	13.750	13.936	14.121
10.5	11.615	11.879	12.139	12.394	12.653	12.923	13.194	13.477	13.761	14.058	14.358	14.554	14.747
11.0	12.091	12.367	12.638	12.906	13.174	13.462	13.750	14.045	14.341	14.650	14.959	15.166	15.372
11.5	12.622	12.910	13.194	13.477	13.761	14.058	14.358	14.664	14.974	15.297	15.619	15.837	16.053
12.0	13.153	13.454	13.750	14.045	14.341	14.650	14.959	15.282	15.605	15.942	16.278	16.506	16.732
12.5	13.733	14.047	14.358	14.664	14.974	15.297	15.619	15.959	16.301	16.652	17.007	17.243	17.480
13.0	14.307	14.635	14.959	15.282	15.605	15.942	16.278	16.636	16.993	17.343	17.734	17.982	18.228
14.0	15.566	15.923	16.278	16.621	16.965	17.309	17.651	17.995	18.339	18.683	19.026	19.369	19.712
15.0	16.956	17.346	17.734	18.078	18.422	18.765	19.107	19.451	19.794	20.138	20.482	20.825	21.168
16.0	18.490	18.916	19.341	19.685	20.029	20.371	20.715	21.058	21.402	21.745	22.089	22.433	22.775
17.0	20.156	20.621	21.086	21.429	21.773	22.117	22.459	22.803	23.147	23.489	23.833	24.177	24.520
18.0	21.991	22.499	23.009	23.352	23.696	24.040	24.383	24.725	25.069	25.412	25.756	26.100	26.444
19.0	24.011	24.567	25.125	25.469	25.810	26.154	26.498	26.842	27.184	27.528	27.872	28.215	28.558
20.0	26.214	26.822	27.433	27.774	28.118	28.462	28.806	29.149	29.493	29.837	30.179	30.523	30.866
21.0	28.640	29.305	29.974	30.358	30.660	31.004	31.347	31.690	32.033	32.377	32.720	33.064	33.408
22.0	31.301	32.028	32.741	33.105	33.449	33.792	34.135	34.478	34.822	35.165	35.509	35.853	36.196
23.0	34.212	35.008	35.811	36.154	36.498	36.842	37.186	37.529	37.871	38.215	38.558	38.902	39.246
24.0	37.412	38.283	39.163	39.507	39.850	40.193	40.536	40.879	41.223	41.567	41.910	42.253	42.597
25.0	40.926	41.879	42.844	43.187	43.531	43.875	44.217	44.561	44.905	45.248	45.592	45.934	46.278

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37

~~Section 5. Allocation between wages and health insurance contribution. The compensation indicated in the matrices plus the longevity allowance provided in section 8 is the entire compensation per employee for wages and health benefits. Any employee may, through collective bargaining or individually if not a member of a bargaining unit, determine the allocation between the annual wage and annual contribution for health insurance paid by the state.~~

SECTION 5. ALLOCATION BETWEEN WAGES AND HEALTH INSURANCE. (A) THE DOLLAR AMOUNTS SHOWN IN THE RESPECTIVE MATRICES IN [SECTIONS 3 AND 4] REPRESENT THE MAXIMUM AMOUNT ALLOCATED BY THE STATE FOR WAGES AND HEALTH INSURANCE BENEFITS, AND EXCLUSIVE OF LONGEVITY AS DEFINED IN [SECTION 6]. EXCEPT AS PROVIDED IN PARAGRAPH (B) OF THIS SECTION, THAT AMOUNT SPECIFICALLY ALLOCATED FOR HEALTH INSURANCE BENEFITS SHALL BE DETERMINED BY 11-1024. AN EMPLOYEE WHO ELECTS NOT TO BE COVERED BY A STATE HEALTH INSURANCE PLAN WILL RECEIVE AS WAGES THE AMOUNT SHOWN IN THE APPROPRIATE MATRIX LESS THE STATE CONTRIBUTION FOR HEALTH INSURANCE AS DETERMINED BY 11-1024.

(B) EMPLOYEES MAY, THROUGH COLLECTIVE BARGAINING, DETERMINE THE ALLOCATION OF THE AMOUNTS SHOWN IN THE MATRICES OF [SECTIONS 3 AND 4] BETWEEN WAGES AND HEALTH INSURANCE BENEFITS, EXCEPT THAT IN NO CASE MAY THE HEALTH INSURANCE ALLOCATION BE LESS THAN THE AMOUNTS PROVIDED IN

11-1024.

~~Section 6. Meritorious promotions. In addition to the pay increases provided above, each agency director may grant intra-grade promotions to employees who have demonstrated exceptionally meritorious performance. The total cost of such promotions may not exceed 1/2 of 1% of total budgeted wages and salaries as approved by the budget director in the operational budget. Promotions are exclusively a management prerogative and, notwithstanding any other provision of law, are not negotiable.~~

~~Section 7. New hires. The salary of any employee hired after the effective date of this act shall be at step 1 of the appropriate grade, except that an agency director may, under the budget limitations imposed in section 6, approve a starting salary higher than step 1.~~

Section 6. Longevity allowance. In addition to the compensation determined above, each employee who has completed at least 5 years of uninterrupted state service shall receive the amount obtained by multiplying the larger of $10 a month or 10% of the difference between the base compensation for his grade and step and the base compensation for the corresponding step in the next highest grade by the number of completed, contiguous 5-year periods of uninterrupted service he has with the state. Service to the state may not be considered to have been interrupted by

authorized leaves of absence ~~not exceeding 3 months or by military service.~~

~~Section 9. Exclusive procedure. The procedure established in this act for increasing compensation for state employees is in lieu of and supercedes any other plan or system of pay increases. No contract may be negotiated which provides compensation in excess of that provided in this act. A member of a bargaining unit may receive an increase in compensation only in the event the bargaining unit has ratified a contract with the state covering all compensation for the pertinent fiscal year.~~

SECTION 7. EXCEPTIONS FOR COLLECTIVE BARGAINING. (A) THE PROCEDURE ESTABLISHED IN THIS ACT FOR INCREASING COMPENSATION FOR STATE EMPLOYEES IS IN LIEU OF AND SUPERCEDES ANY OTHER SUCH PLANS OR SYSTEMS EXCEPT THOSE PLANS NEGOTIATED WITH THE BLUE COLLAR CRAFTS AND TEACHERS IN ACCORDANCE WITH PROVISIONS OF SECTION 59, CHAPTER 16, R.C.M. THE TOTAL AMOUNT OF COMPENSATION WHICH MAY BE USED TO IMPLEMENT ANY SUCH PLAN MAY NOT EXCEED THE TOTAL AMOUNT OF FUNDING THAT WOULD BE REQUIRED TO FUND APPLICATION OF THE MATRICES IN [SECTIONS 3 AND 4] TO THE EMPLOYEES COVERED BY THE NEGOTIATED PLAN.

(B) A MEMBER OF A BARGAINING UNIT MAY RECEIVE NEGOTIATED INCREASES IN COMPENSATION ONLY AFTER THE BARGAINING UNIT HAS RATIFIED THE NEGOTIATED PLAN OR SYSTEM

FOR THE BIENNIUM. SHOULD SUCH NEGOTIATIONS AND SUBSEQUENT RATIFICATION PROCESS NOT BE COMPLETED BY THE BEGINNING OF THE BIENNIUM, RETROACTIVITY TO THE BEGINNING OF THE BIENNIUM SHALL BE NEGOTIABLE.

Section 8. Rules. The department of administration, subject to approval by the budget director, may promulgate rules not inconsistent with the provisions of this act, COLLECTIVE BARGAINING STATUTES OR NEGOTIATED CONTRACTS, to carry out the purposes of the act.

Section 9. Appropriation. There is appropriated to the budget director $2,268,225 for the fiscal year ending June 30, 1978, and $5,042,600 for the fiscal year ending June 30, 1979, from the state general fund to carry out the provisions of this act as it pertains to executive branch agencies, not including units of the university system. The budget director is authorized to increase the expenditure authority of executive branch agencies, not including units of the university system, by $3,641,692 for the fiscal year ending June 30, 1978, and by $8,237,724 for the fiscal year ending June 30, 1979, from funds other than the state general funds which accrue under provisions of law to the respective agencies to carry out the provisions of this act.

Section 10. Reversion. Appropriated funds not spent at the end of the fiscal year shall revert to the fund from which they were appropriated.

39

SECTION 11. SECTION 11-1024, R.C.M. 1947, IS AMENDED TO READ AS FOLLOWS:

"11-1024. Group insurance for all departments, bureaus, boards, commissions and agencies of the state of Montana, county, city, and town officers and employees -- authority -- approval of employees -- limit on contributions. (1) All departments, bureaus, boards, commissions and agencies of the state of Montana, and all counties, cities and towns shall upon approval by two-thirds (2/3) vote of the officers and employees of each such department, bureau, board, commission, agency, county, city and town, enter into group hospitalization, medical, health including long-term disability, accident and/or group life insurance contracts or plans for the benefit of their officers, employees and their dependents, and the respective administrative and governing bodies shall pay for such insurance ~~ten--dollars-($10)-per-month~~ the amount specified in this section. ~~for-each-officer,-employee,-and-legislator, and-provided-that--~~for For all employees as defined in subsection (2) of this section other than members of collective bargaining units and for members of the legislature, such payment for insurance ~~may-be-an-amount equal-to-twelve-(12)-times-the-monthly--rate,--but--may--not exceed--one--hundred-twenty-dollars-($120)~~ shall be $240 per year for the fiscal year ending June 30, 1978 and $360 per

year for each fiscal year thereafter. The employer shall prorate this amount for employees who work less than 2,080 hours per year. ~~However,-for~~ For employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but shall not be less than ~~the-amount--specified--in--this--section~~ $10 per month.

For state employee members of a collective bargaining unit, the employer shall pay the amount negotiated with the collective bargaining unit.

(2) In this section, as it applies to a person employed in the executive or legislative branches of state government, "employee" means:

(a) a permanent full-time employee as defined in section 59-1007.1;

(b) a part-time employee as defined in section 59-1007.1 who is scheduled to work at least twenty (20) hours per week;

(c) a person employed in a seasonal position as defined in section 59-1007.1 who is employed on a regular basis at least eight (8) months of the fiscal year."

-End-

EIGHTY-SECOND LEGISLATIVE DAY

Helena, Montana
April 9, 1977

House Chambers
Capitol Building

House convened at 9:00 a.m., Mr. Speaker in the Chair. Invocation by the Chaplain. Pledge of Allegiance to the Flag.

Roll call. All members present except Barrett, Bengtson, Burnett, Fagg, Feda, Robbins, Seifert, Severson, Sivertsen, Teague, Tower, excused. Quorum present.

Mr. Speaker: We, your Committee on Legislative Administration/Bills and Journal, having examined the daily journal for the Eighty-first Legislative Day, find the same to be correct.

QUILICI, Chairman

REPORTS OF STANDING COMMITTEES

BILLS (Quilici, Chairman): 4/9/77

Correctly printed, 4/9/77 - HJR 100.

Were signed by the Speaker on adjournment, 4/8/77 - HB 283, HB 284.

On motion by Huennekens, and in accordance with the 24-hour rule, the adverse committee report on SB 352 was adopted by the following vote:

Ayes: Aageson, W. Baeth, Bradley, Colburn, Cooney, Courtney, Curtiss, Dassinger, Day, Ellerd, Ellis, Eudaily, Frates, Gerke, Gilligan, Gould, Halvorson, Hand, Hansen, Harper, Hirsch, Huennekens, Hurwitz, Jensen, Kanduch, Kenny, Kvaalen, Lory, Lynch, Metcalf, Moore, Mular, O'Connell, O'Keefe, Palmer, Pistoria, Porter, Quilici, Ramirez, Roth, Shelden, Smith, South, Staigmiller, Tropila, Turner, Uhde, Underdal, Vincent, Williams, Mr. Speaker.
Total 51

Noes: Bertelsen, Brand, Cox, Ellison, Ernst, Fabrega, E. Gunderson, J. Gunderson, Johnston, Keyser, Kropp, Lien, Lund, McLane, Manuel, Marks, Meyer, Nathe, Scully, Stobie, Vinger, Wood, Wyrick.
Total 23

Excused: Barrett, Bengtson, Burnett, Fagg, Feda, Robbins, Seifert, Severson, Sivertsen, Teague, Tower.
Total 11

Absent or not voting: R. Baeth, Bardanouve, Conroy, Davis, Dussault, Estenson, Harrington, Holmes, Kennerly, Kessler, Kimble, Meloy, Menahan, Ryan, Waldron.
Total 15

On motion by Huennekens, and in accordance with the 24-hour rule, the adverse committee report on SB 431 was adopted by the following vote:

Ayes: W. Baeth, Bardanouve, Bertelsen, Colburn, Cox, Curtiss, Dassinger, Day, Ellis, Eudaily, Gerke, Gilligan, Gould, Halvorson, Hand, Harper, Hirsch, Huennekens, Hurwitz, Jensen, Kanduch, Kenny, Lory, Lynch, McLane, Metcalf, Moore, Mular, O'Connell, O'Keefe, Palmer, Pistoria, Porter, Quilici, Roth, Scully, Shelden, South, Staigmiller, Underdal, Williams, Mr. Speaker.

Senate Bill No. 445, introduced by Lockrem

Senate Bill No. 447, introduced by McCallum, Dunkle, et al

MOTIONS

Meloy moved that the House accede to the request of the Senate and return HB 410 to them for further consideration. Motion carried.

Day moved that consideration of SB 155 be postponed to the 84th Legislative Day. Motion carried.

Meloy moved that the Governor's Amendments to HB 370 be placed on Second Reading today. Motion carried.

Meloy moved that HB 834 be rereferred from Second Reading to the Committee on Appropriations. Motion carried.

FIRST READING AND COMMITMENT OF BILLS AND RESOLUTIONS

The following Senate bills were introduced, read first time and referred to committees:

SB 166, introduced by Committee on Labor and Employment Relations; Lee, Chairman (By Request of the Division of Workers' Compensation). Referred to Committee on Rules.

SB 445, introduced by Lockrem. Referred to Committee on Local Government.

SB 447, introduced by McCallum, Dunkle, E. Smith, Mathers, Thomas, Aber, Murray, Goodover, Nelson, Lee, Olson, Norman, Jergeson, Manley, Boylan, Murphy, Flynn, Galt, Graham, Bergren, Lensink, Lowe, Dover, Peterson, Hazelbaker. Referred to Committee on Rules.

SECOND READING OF BILLS (COMMITTEE OF THE WHOLE)

Meloy moved that the House resolve itself into a Committee of the Whole for the consideration of business on Second Reading, under the rules of the previous sitting. Motion carried.

Tropila in the Chair. Committee arose.

House resumed. Mr. Speaker in the Chair.

Mr. Speaker: We, your Committee of the Whole, having had under consideration business on Second Reading, recommend as follows:

That HJR 98 do pass. (77-8)

That HJR 99 do pass. (80-2)

That HB 446 do pass. (57-28)

That SB 107 be concurred in. (64-21)

Tower present at this time.

That SB 233 be concurred in. (73-12)

That SB 309 be concurred in. (84-1)

That SB 324 be concurred in. (52-47)

Meloy replaced Tropila in the Chair.

That SB 363 be concurred in. (81-4)

APPROPRIATIONS COMMITTEE

45 Legislature

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
834	Act to establish and fund a compensation plan for state employees for 1979 biennium	4/9/77	South, Others	4/11/77	As Amended Do Pass	4/12
838	Act to appropriate moneys to operate the 45th legislature	4/11/77	Driscoll	4/12/77	Do Pass	4/12
HJR 105	Directing the Legislative Auditor to conduct an annual audit of selected special education programs in school districts throughout Montana.	4/13/77	Bardanouve	4/14/77	Do Pass	4/14
841	Act appropriating $25,000 for an economic feasibility study of the conversion of wheat & barley into alcohol and related by-products	4/15/77	Conroy	4-18-77	Do Not Pass	4/18
842	Appropriate $100,000 to Legislative Council for additional interim research studies	4/19/77	Driscoll	4/19/77	Do Pass	4/19

43

MINUTES OF THE APPROPRIATIONS COMMITTEE
HOUSE OF REPRESENTATIVES
State Capitol, Room 225 April 11, 1977

The Chairman called the meeting to order at 11:00 a.m. Roll call was taken, and a quorum was present. (Roll call attached.)

The Chairman stated the purpose of the meeting is to have a hearing on House Bill 834, the pay plan for state employees.

Representative Moore said this bill has been heard before, and he hoped we would not have to give it a complete hearing, which would include testimony of witnesses. Chairman Bardanouve stated we have always given a hearing to any bill before the committee; if any of the persons present wished to speak to the bill, they may do so.

House Bill 834: Act to establish and fund a compensation plan for state employees for the 1979 biennium...

Representative Carroll V. South, District 51, sponsor of the bill, presented the bill to the committee, explaining this is the new state employees pay plan for the next two years.

The new matrices were arrived at as follows, Rep. South said: For 1978, add $416 to the current level 1977 salary; take that total times 2.35% and add that figure to the current salary. Add $10 additional health insurance premium.

For 1979: Add $458 to the salary for 1978, less the $240 health insurance premium. Take that figure times 2.35%; add $10 additional health insurance premium.

The provisions of H.B. 183 which authorize $20 per month the first year and $30 per month the second year for health insurance premiums to be paid by the state have been included in this bill, and H.B. 183 is no longer necessary.

The new pay plan is in the form of a bill and will become statute; it has an appropriation to fund it which will go through the office of budget and program planning. All pay increases for the university system have been taken out, and the appropriation in this bill does not include the university system.

Another difference is that blue collar and craft workers, and teachers, are excluded from this plan. They will not receive more money, but the executive is presently working with these people on a separate pay plan as this one is not compatible with those workers.

Rep. South continued, explaining that H.B. 834 would allow each bargaining unit to receive more than the $20/$30 health insurance premium if they choose to have the payment higher than that figure, but would include whatever amount is negotiated. This is an all-encompassing increase; health insurance premiums contributed by the state are included in the matrices.

There is a problem, Rep. South added. It was my suggestion that this pay plan keep state employees in their present grade and step, and raise the entire matrix to reflect all the changes. I did this for the reason that presently after one year with the state, employees get an automatic step increase. If they stay with the state long enough, and many do, they will be out of Step 13 and there is nowhere they can go. I thought the problem would be solved by raising the matrix. The problem is that an employee having an anniversary date of June 15 this year would automatically get two 2.35% increases, which probably is not fair. We may have to make changes.

Every grade and step is raised in this plan. Employees would not automatically move up a step when their anniversary date occurs, but the entire matrix would raise.

Proponents:

Don Judge, Field Representative of the AFL-CIO rose in support of H.B. 834. This bill reflects the negotiations, he stated. The wording allows more to insurance and less to wages if the employees feel it should be that way.

Representative South spoke to our problems. We had arrived at a settled agreement for July 1st and anniversary increases. We do have a problem with those employees in Step 13. We would be willing to work with the committee in trying to solve this problem, but it is a problem.

Don Judge added that there are two amendments which they would offer; they should have been considered in the select committee, and were agreed to by management and labor. Mr. Judge stated he did not believe the select committee acted on these. On page 9, line 12, following "absence", strike the remainder of the sentence. In negotiations, both labor and management agreed on leaves up to six (6) months, as in this proposed amendment.

On line 19, page 12, following "For", strike "state". This is a negotiable item, Mr. Judge continued, and may confuse the issue. The intention is to have local government and state employees included, and the way the bill is now could create a problem. The language was intended to open this up for state and other local government units. Leaving in the word "state" will create a problem.

With these amendments, we would support this bill and will work to straighten out the problem Rep. South pointed out, Mr. Judge concluded.

Tom Schneider, MPEA, explained there is a problem with the steps, but we support the bill. It is up to the committee and the legislature to determine what method will benfit the most and injure the least. I have no answer, he stated. The problem is that people with anniversary dates in June will get double step increases, and others will lose a step increase; you will have to come up with the answer.

Mr. Schneider stated he agreed with the amendments on page 9. If you go back to the statutes which exist for maternity leave, he stated, you will find that maternity leave can extend for up to 9 months, and provide there will be no loss of benefits. In this bill we have said they will lose longevity as it is now, which is contrary to the statute.

Mr. Schneider continued, stating that as to the proposed amendment on page 12, he speaks to the other direction. Current law, and the bill, provide for schools and local government units which receive about $10, and it is not limited to collective bargaining. If this were applied to the next section where it says only for collective bargaining -units, we would be taking benefits from local government units who already receive this. Another problem is that the amendment says local government is limited to nothing less than $10, but on page 8, line 7, the bill provides that employees may determine the amount in the matrices. When you apply this along with the language "state employees only", you create a conflict. We don't want to raise local government up to $20/$30. I think the language is clear; it says for state employees only, and that is the intent of this bill. If you amend this, it will change the current method by which health insurance is being handled in local government, Mr. Schneider stated.

NO OPPONENTS.

Questions:

Rep. Marks asked what is the use of having steps if you have decided not to allow step increases. Rep. South replied the idea of steps is to show where each additional employee is within the salary grade. He explained again the problem of Step 13 employees having no place to go; this would be alleviated by raising the matrix.

The committee then discussed the effects that might occur from the health insurance increase not being taxable. Representative South explained that the bill as amended now requires that you take the additional health insurance, or you are $20 short. The Chairman expressed concern that this might be worked in a manner that would raise an employee's retirement and put him at a higher salary level for purposes of retirement. Rep. South explained this can't be done on an individual basis; it has to be done on a union basis. Rep. Marks asked how the state comes out paying the additional health insurance vs. wages, and Rep. South replied it is better for the state, because for every $10 paid in wages, there is a 13% increase in benefits.

Rep. South asked that the committee discuss the problem which he had explained earlier. If the desire is to go back to the step and grade method, Mike Billings can have the new language and matrices by 4:00 p.m. today, Rep. South explained. It was agreed the problem should be corrected before the bill goes to the floor. The problem of some employees possibly getting two 2.35% increases within a few months of each other as opposed to going back to step increases, which will result in some employees reaching Step 13 and having no further place to go has to be resolved.

Longivity was discussed as a solution. The concensus of the committee was that they are at a disadvantage trying to resolve the problem when they are not familiar with the entire bill, and it was decided that the select committee should meet and address the problem, and report back to appropriations, before appropriations takes action on H.B. 834.

Rep. South stated in defense of the matrices; it was his idea that everyone should stay in the grade and step they are in now and to raise the matrix. The steps would then be used for merit increases. He believes merit increases could and should be the perogative of management and not be negotiable. Management could then give merit increases on a step basis. Rep. South does not totally support striking this language.

Representative Lund moved that we PASS CONSIDERATION on H.B. 834. VOTE: Motion carried unanimously.

EXECUTIVE SESSION:

SJR 42: The committee discussed exactly what the resolution proposes; the Chairman stated they are not to do a study, but are to consider the feasibility of making a study. Representative Gunderson mentioned there is potential that $20,000 can be obtained from the Old West Regional moneys to fund this.

Rep. Estenson moved that bill be NOT CONCURRED IN. SUBSTITUTE MOTION by Rep. Bradley that SJR 42 BE CONCURRED IN. VOTE: Substitute motion carried with 10 members voting aye, 3 no, 4 absent. (Roll call vote attached).

The meeting adjourned at 12:05. The committee will meet tomorrow, April 12, at 9:00 a.m. in Room 225.

FRANCIS BARDANOUVE, Chairman

April 11, 1977

The meeting of the Joint Select Committee on Employee Compensation was called to order at 5:00 p.m. in room 225 of the State Capitol Building by Senator Joe Roberts, Chairman. The roll call was taken and a quorum was present. The purpose of this meeting was for the reconsideration of House Bill 834, which is presently in the House Appropriations Committee.

Mike Billings, Director of the Office of Budget and Program Planning, proposed the attached amendments to the committee because an individual coming on at step one winds up making the same amount as someone having been at step one for as many as three years; this will cause problems for the employees. He further explained that if the anniversary date for an employee is July 1 or in the first part of the fiscal year, there would be no problem. But if there is an employee who is hired at a salary of grade 12, step 1, he will receive compensation for grade 12, step 1 of $12,575 on July 1 and on his anniversary date he would move up one step. This will prove to cost the state less, also, Mr. Billings stated, although the exact figures are not available. This proposal is entirely consistent with the current rules.

Representative South, sponsor of this bill for the pay plan, said this is the best way to go. He thought before that we could give merit increases and not necessarily give increases only on the anniversary date. Eventually there will be a problem with a lot of people at the top, step 13, with no place to go. But this proposal will solve the problem of a person being hired on May 1 of this year and then getting the step increase on July 1; the increase would be unfair to the other employees. There are problems no matter how we work the pay plan and sooner or later we will have to determine where we are going to go with pushing the employees up the matrix every year.

Representative Fabrega asked for clarification on the increase; it was explained that it would be a 2.35 percent increase in lieu of the step increase. Currently under the pay plan, a person has to move up a step to get the 2.35% increase.

Senator Stephens asked what the attrition rate is among state employees; Mr. Billings responded that they are not able to tell accurately right now but in two years the information will be available from the data bank. It is probably about 3.5 years for the average length of service.

Mr. Billings stated that right now, when an individual is promoted his anniversary date changes to the date the promotion is effective. There is a lawsuit regarding this right now over the language "on his anniversary date as determined by the department of administration." Tom Schneider of the M.P.E.A. explained that the HJR 37 from the last session was very clear in its language, and that is the basis for the lawsuit.

Don Judge of AFSCME, AFL-CIO, indicated that they feel the anniversary date increases should be the way they were negotiated

MOTION: Senator Fasbender moved that the amendments proposed by Mike Billings on the attached sheet be adopted for page 2, line 3 and page 2, line 12. Also that the language in those amendments be changed from "the anniversary date of his employment" to "the employee's anniversary date."

VOTE: The motion carried unanimously by voice vote (7-0). Representatives Driscoll and Tropila not present.

MOTION: Representative South moved that the amended matrices be adopted as set forth in the schedule presented today.

Discussion: Representative Fabrega felt this would commit the state even more to the blue collar plan. Representative South said it would ensure that we would have to have a blue collar plan. Senator Himsl asked if the collective bargaining agreements could be any place on this matrix; the response from Representative South was that it could not, as the only ones excluded are the blue collar crafts and the teachers. They will not be on this matrix but on a new plan.

VOTE: The motion carried with a unanimous voice vote (7-0).

MOTION: Representative South moved that page 9, line 12 be amended by striking the words "not exceeding three months or by military service" following "absence".

Discussion: He pointed out that this was proposed by Don Judge at the hearing but was never acted on. This way an employer could give three months approved absence for pregnancy or disability and not jeopardize the longevity of the employee.

VOTE: The motion carried unanimously by voice vote (7-0).

COLA FORMULA: Senator Roberts indicated that there is a problem with the cost of living adjustment (COLA) formula in that it is in the negotiated agreements but there is nothing addressing this in this pay plan. It is first of all a question as to what the status of that would be if bargained for and not in the pay plan, and, therefore, it should be addressed by this bill.

Senator Himsl asked if this is incorporated in the matrix? Mr. Billing responded that the COLA is addressed only to the extent that the cost of living does not increase more than 5.7% in the second year of the biennium. That is the only adjustment negotiated for. There is nothin that guarantees that the increase will stay at 5.7% or that it will be as high as 5.7% either. There would be a distortion in the equal pay for equal work concept with the negotiated COLA formula.

Senator Himsl felt that the annual increases are premised on the COLA. If that increase is not a merit system increase, it is only a survival adjustment and should be to accommodate the cost of living increases. Representative Fabrega commented that if the COLA formula would result in a higher rate in pay for the union people it could trigger others

to file discrimination appeals. Mr. Billings concurred that it could possibly cause some troubles.

Don Judge stated that the attempt to negotiate COLA formula for the contract is an attempt to direct the state to pay for the cost of living increases. A couple years ago cost of living raised 11%-12% and the state employee lost a lot. They feel the one cent for 7.4% rise in the cost of living is a mediocre formula. If the cost of living exceeds the amount in the pay plan it could trigger some classification appeals but he was not sure that it would distort the equal pay for equal work concept. If the cost of living did not rise, and they had negotitated that COLA, their employees could not file a suit, he felt. But Senator Fasbender was of the understanding that they would not get less, only more. Mr. Judge responded that the pay plan provides that this would be the amount that is established in the plan. If the COLA does not equal the amount provided in the pay plan, the union employees would be entitled to that amount.

Mr. Billings felt they probably would get the increase since that is not an excepted item. The language would have to be in the bill to say that it would be limiting. The negotiated COLA settlements are illegal if this bill passes as it is he felt.

Tom Schneider said that the way the bill is now, if you did not make changes in the bill to provide if the COLA is over 5.7%, you would have to give that to everyone. The entire subject should be addressed and if there is an agreement with the COLA negotiated, you would have to exclude those people who have negotiated for the second year and leave them totally on the CPI index. If it is more than 5.7, they will get more and if it is less, they will get less. This is a negotiable item, he said.

Senator Roberts felt that the way the COLA formula was worked out it was only possible to increase the formula. Mr. Billings said that looking at the rules in Section 8 of the bill, the COLA would seem to be enforced because you could not make any rules in conflict with a negotiated agreement. If the COLA dropped, the salary would not drop. Senator Roberts concluded that the only effect could be to increase compensation.

Mr. Schneider felt that what we are talking about is a decrease in the plan and not a decrease in the salary. Mr. Billings explained that it is 20 cents ($.20) an hour the first year of the biennium and then the second year it is a COLA.

Senator Stephens said that we are subject to the whims of the economic situation and can't tell how much we should appropriate. It is a reasonable amount of risk for everybody, he thought.

Don Judge indicated they have not negotiated any amount for the second year.

Senator Roberts pointed out that page 2, line 7 of the bill supports what Mr. Billings said.

Which would you prefer, the pay plan or COLA formula, Senator Roberts asked. Don Judge answered that their membership said the COLA formula and he would have to go with that answer. Tom Schneider said that he would also have to answer the COLA formula.

Senator Himsl asked if we were adopting a definite schedule for two years with this matrix? Mr. Billings answered, yes. Senator Himsl then asked, What is the COLA business? They should still have to negotiate within the frame work of this. Mr. Billings responded that they have already negotiated and are addressing that section of the negotiation contract clauses that deal with the COLA increases. Senator Himsl felt that either there is a pay plan or there isn't because we won't know what it will be then.

Representative South asked if we would have to pay them more than in the matrix. Do we then bring them all up to where the COLA formula was? There would be problems later with that, he felt. Senator Roberts directed his attention to page 9, section 7.

Don Judge read from their constitution. "They could point to this section and say that the COLA is unlawful and could go to court. If that were to be the case and this section would be applied, we would want to renegotiate the contracts. We would not want it to decrease," Mr. Judge said. Senator Fasbender indicated that page 2 (2) clarifies that.

Representative Fabrega asked if negotiated agreements call for COLA and we want to fix it to the pay plan, do we want to include language to address the agreements not included in the COLA clause? Senator Roberts indicated that the secretary should take clear notes to show that the compensation provided here is it, and that would show this is the set amount the state is obligated to and that exceeding this amount is not accepted. If that was clearly in the legislature's history that would be enough, as the language is sufficient to make that clear. Representative South agreed.

Don Judge of AFSCME said"The language is definitely clear."

Tom Schneider of MPEA said, "I agree the procedure in this act is increasing in compensation. There is no question."

Don Judge said, "I would qualify that agreement to say that the way the bill reads it does preclude the COLA formula but I do not agree with that concept."

Representative South indicated he would present the amendments to the Appropriations Committee.

Don Judge brought up an amendment that was made to page 12, line 19, asking if the negotiations can increase amounts for the local governments. Senator Roberts and Representative South felt that section is clear as it is written.

There being no further business or actions, the meeting adjourned at 6 .m

Joe Roberts, Chairman

MINUTES OF THE APPROPRIATIONS COMMITTEE
HOUSE OF REPRESENTATIVES
State Capitol, Room 225

April 12, 1977

The meeting of the House Appropriations Committee was called to order on the above date by Representative Bardanouve, Chairman, at 9:00 a.m. Roll call was taken with a quorum present; see attached roll call. Executive action was taken on the following:

House Bill 834: Representative South explained the amendments as presented on the attachment. Amendment #5 does not affect the matrix and has a net effect of an individual being able to have a leave of absence exceeding three months without having an adverse affect on his longevity status. There would be no time limitation, he stated; but it must be an approved leave of absence. One example, Representative South gave was that it would allow an individual to serve in the legislature without affecting his longevity. The individual would not be paid for the time absent, but he would get credit for that period of time.

The four other amendments on the attachment reflect a philosophical change on the step increases on the anniversary date of the employee. The net effect of the two new matrices is to put state employees back on an anniversary date step rather than everyone receiving the increases on July 1. For example, if there is an employee working now at a grade 12, step 4 with an anniversary date of July 1, that individual would automatically go to a step 5 on July 1. But if the employee's anniversary date is September 1, that employee at a grade 12, step 4 would be at grade 12, step 4 on the new matrix on July 1 and would move to grade 12, step 5 on his anniversary date of September 1. This method will save the state some money; but the amount of savings is not certain because they have not computed this with the anniversary dates as a factor. There may be some problems when employees reach step 13, but that issue could be addressed by the next legislature in two years, Representative South explained.

The Joint Select Committee on Employee Compensation unanimously proposed these five amendments.

Representative South moved that the amendments be adopted as presented on the attachment. VOTE: The motion carried unanimously by a roll call vote; 4 absent (Rep. Gerke, Lund, Lynch, and Marks).

Representative Moore moved that House Bill 834 be given an AS AMENDED DO PASS recommendation. VOTE: The motion carried unanimously by a voice vote; 4 absent (Representatives Gerke, Lund, Lynch, and Marks).

House Bill 838: Representative Moore moved that H.B. 838 DO PASS. ROLL CALL VOTE: The motion carried with a vote of 11 AYE, 2 NO (Rep. J. Gunderson and Wood), 4 absent (Representatives Gerke, Lund, Lynch, and Marks).

EIGHTY-FOURTH LEGISLATIVE DAY

Helena, Montana
April 12, 1977

House Chambers
Capitol Building

House convened at 1:30 p.m., Mr. Speaker in the Chair. Invocation by the Chaplain. Pledge of Allegiance to the Flag.

Roll call. All members present except Davis, Lund, Wood, excused. Quorum present.

Mr. Speaker: We, your Committee on Legislative Administration/Bills and Journal, having examined the daily journal for the Eighty-third Legislative Day, find the same to be correct.

QUILICI, Chairman

REPORTS OF STANDING COMMITTEES

Will be signed by the Speaker on adjournment, 4/12/77 - HB 447, HB 455, HB 488, HB 547, HB 635, HB 769, HJR 83, HJR 84, SB 182.

Was signed by the Speaker on adjournment, 4/11/77 - HJR 90.

Examined by Sponsors and found to be correct - HB 488, HB 547, HJR 84.

APPROPRIATIONS (Bardanouve, Chairman): 4/12/77

HB 834, second reading bill, be amended as follows:

1. Amend page 2, section 2, line 3.
Following: "1977."
Insert: "The employee will advance one step on the employee's anniversary date as determined by the department of administration."

2. Amend page 2, section 2, line 12.
Following: "1978."
Insert: "The employee will advance one step on the employee's anniversary date as determined by the department of administration."

3. Amend pages 2 through 4, section 3, line 15 on page 2 through line 24 on page 4.
Following: line 14
Strike: line 15 on page 2 through line 24 on page 4 in their entirety
Insert: (see attachment 1)

4. Amend pages 5 through 7, section 4, line 2 on page 5 through line 11 on page 7.
Following: line 1
Strike: line 2 on page 5 through line 11 on page 7 in their entirety
Insert: (see attachment 2)

5. Amend page 9, section 6, lines 12 and 13.
Following: "absence"
Strike: "not exceeding 3 months or by military service"

And as amended, do pass. Report adopted.

HB 838, do pass. Report adopted.
SJR 42, be concurred in. Report adopted. 4/11/77

LOCAL GOVERNMENT (Robbins, Chairman): 4/12/77

SB 445, be concurred in. Report adopted.

53

EIGHTY-SIXTH LEGISLATIVE DAY

Helena, Montana
April 14, 1977

House Chambers
Capitol Building

House convened at 9:30 a.m., Mr. Speaker in the Chair. Invocation by the Chaplain. Pledge of Allegiance to the Flag.

Roll call. All members present except Ellerd, Halvorson, Stobie, excused. Quorum present.

Mr. Speaker: We, your Committee on Legislative Administration/Bills and Journal, having examined the daily journal for the Eighty-fifth Legislative Day, find the same to be correct.

QUILICI, Chairman

REPORTS OF STANDING COMMITTEES

BILLS (Quilici, Chairman): 4/14/77

Correctly enrolled - HB 105, HB 148, HB 247, HB 492, HB 589, HB 634, HB 659, HB 718, HB 760, HB 787, HJR 88.

Correctly printed - HB 839, HR 4.

Were signed by the Speaker on adjournment, 4/13/77 - HB 5, HB 147, HB 164, HB 177, HB 197, HB 251, HB 280, HB 318, HB 324, HB 340, HB 356, HB 360, HB 363, HB 384, HB 389, HB 402, HB 415, HB 457, HB 485, HB 493, HB 587, HB 617, HB 644, HB 664, HB 805, HJR 32, HJR 51, HJR 68, HJR 79.

Examined by the Sponsor and found to be correct - HB 560.

Were signed by the Speaker on adjournment, 4/13/77 - HB 126, HB 151, HB 286, HB 320, HB 352, HB 487, HB 512, HB 560, HB 585, HB 647, HB 724, HB 810.

JUDICIARY (Scully, Chairman): 4/14/77

HJR 106, do pass. Report adopted.

SJR 19, be concurred in. Report adopted.

SJR 48, be not concurred in.

MOTIONS

Meloy moved that consideration of SB 271 be postponed until the 88th Legislative Day. Motion carried.

Conroy moved that the conference committee on HB 577 be dissolved and that the same members be reappointed to a free conference committee on HB 577. Motion carried.

THIRD READING OF BILLS

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

House Joint Resolution No. 102 was passed by the following vote:

Ayes: Aageson, R. Baeth, W. Baeth, Barrett, Bengtson, Bertelsen, Bradley, Brand, Burnett, Conroy, Cooney, Courtney, Cox, Curtiss, Dassinger, Day, Dussault, Ellison, Ernst, Estenson, Eudaily, Fabrega, Fagg, Feda, Frates, Gerke, Gilligan, E. Gunderson, J. Gunderson, Hand, Hansen, Harper, Harrington, Hirsch, Holmes, Huennekens, Hurwitz, Jensen, Johnston, Kanduch, Kennerly, Kenny, Keyser, Kropp, Lien, Lund, Lynch, McLane, Manuel, Marks, Meloy, Menahan, Metcalf, Meyer, Moore, Mular,

54

O'Connell, O'Keefe, Palmer, Pistoria, Porter, Quilici, Robbins, Seifert, Severson, Smith, South, Staigmiller, Teague, Tower, Tropila, Turner, Uhde, Underdal, Vincent, Vinger, Williams, Wood, Wyrick, Mr. Speaker.
Total 80

Noes: Sivertsen.
Total 1

Excused: Ellerd, Halvorson, Stobie.
Total 3

Absent or not voting: Bardanouve, Colburn, Davis, Ellis, Gould, Kessler, Kimble, Kvaalen, Lory, Nathe, Ramirez, Roth, Ryan, Scully, Shelden, Waldron.
Total 16

Senate Bill No. 155 was concurred in by the following vote:

Ayes: W. Baeth, Barrett, Bengtson, Bertelsen, Bradley, Brand, Burnett, Conroy, Cooney, Courtney, Curtiss, Dassinger, Day, Dussault, Ernst, Estenson, Eudaily, Fagg, Frates, Gilligan, Gould, E. Gunderson, J. Gunderson, Hand, Hansen, Harrington, Hirsch, Hurwitz, Jensen, Johnston, Kanduch, Kennerly, Kenny, Keyser, Kimble, Kropp, Kvaalen, Lien, Lund, Lynch, McLane, Manuel, Marks, Meloy, Menahan, Mular, Nathe, O'Connell, O'Keefe, Palmer, Pistoria, Porter, Quilici, Robbins, Roth, Ryan, Seifert, Severson, Smith, South, Staigmiller, Teague, Tower, Underdal, Vincent, Waldron, Wood, Wyrick, Mr. Speaker.
Total 69

Noes: Aageson, R. Baeth, Cox, Ellison, Fabrega, Feda, Gerke, Harper, Holmes, Huennekens, Metcalf, Meyer, Moore, Sivertsen, Tropila, Turner, Uhde, Vinger, Williams.
Total 19

Excused: Ellerd, Halvorson, Stobie.
Total 3

Absent or not voting: Bardanouve, Colburn, Davis, Ellis, Kessler, Lory, Ramirez, Scully, Shelden.
Total 9

SECOND READING OF BILLS (COMMITTEE OF THE WHOLE)

Meloy moved that the House resolve itself into a Committee of the Whole, for the consideration of business on Second Reading, under the rules of the previous sitting. Motion carried.

Fagg in the Chair. Committee arose.

House resumed. Mr. Speaker in the Chair.

Mr. Speaker: We, your Committee of the Whole, having had under consideration business on Second Reading, recommend as follows:

That HB 834 do pass. (76-14)

That the Conference Committee Report on HB 90 be adopted. (85-1)

That the Conference Committee Report on HB 245 be placed below the Conference Committee Report on HB 838.

That the Conference Committee Report on HB 334 be adopted. (84-0)

HOUSE BILL NO. 834

INTRODUCED BY SOUTH,

DRISCOLL, MARKS, MOORE, MELOY

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH AND FUND A COMPENSATION PLAN FOR STATE EMPLOYEES FOR THE 1979 BIENNIUM; AMENDING SECTION 11-1024, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Definitions. As used in this act, EXCEPT FOR THE SECTION AMENDING 11-1024, the following definitions apply:

(1) "Employee" means any state employee other than an employee excepted under 59-904 from the statewide classification system.

(2) "Compensation" means the annual wage or salary plus the annual state contribution of health insurance premiums under provisions of 11-1024.

Section 2. Procedures for utilizing pay schedules. (1) The pay matrix provided in section 3 indicates the annual compensation for the fiscal year ending June 30, 1978, for each step and grade for positions classified under provisions of law. ~~The~~ EXCEPT AS PROVIDED IN [SECTION 7] FOR COLLECTIVE BARGAINING UNITS, THE compensation of each employee shall, on the first day of the first pay period in July, 1977, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1977. THE EMPLOYEE WILL ADVANCE ONE STEP ON THE EMPLOYEE'S ANNIVERSARY DATE AS DETERMINED BY THE DEPARTMENT OF ADMINISTRATION.

(2) The pay matrix provided in section 4 indicates the annual compensation for the fiscal year ending June 30, 1979, for each step and grade for positions classified under provisions of law. ~~The~~ EXCEPT AS PROVIDED IN [SECTION 7] FOR COLLECTIVE BARGAINING UNITS, THE compensation of each employee shall, on the first day of the first pay period in July, 1978, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1978. THE EMPLOYEE WILL ADVANCE ONE STEP ON THE EMPLOYEE'S ANNIVERSARY DATE AS DETERMINED BY THE DEPARTMENT OF ADMINISTRATION.

Section 3. Pay matrix for fiscal year ending June 30, 1978.

~~Grade----Step-1---Step-2---Step-3---Step-4---Step-5---Step-6~~
~~1--------------------5,323----5,410----5,498----5,611~~
~~2--------5,498----5,611----5,725----5,846----5,968----6,094~~
~~3--------5,968----6,094----6,222----6,349----6,477----6,617~~
~~4--------6,477----6,617----6,759----6,908----7,041----7,189~~
~~5--------7,041----7,189----7,336----7,497----7,658----7,826~~
~~6--------7,658----7,826----7,994----8,168----8,342----8,523~~

THIRD READING

1	-7	0	8	342	8	523	8	705	8	893	9	081	9	282
2	-8	0	9	081	9	282	9	483	9	691	9	900	10	121
3	-9	0	9	900	10	121	10	342	10	570	10	798	11	040
4	-9	5	10	349	10	580	10	812	11	050	11	289	11	540
5	10	0	10	798	11	040	11	282	11	530	11	778	12	040
6	10	5	11	291	11	540	11	793	12	057	12	321	12	598
7	11	0	11	778	12	040	12	302	12	583	12	865	13	153
8	11	5	12	321	12	598	12	875	13	165	13	459	13	758
9	12	0	12	865	13	153	13	442	13	744	14	046	14	361
10	12	5	13	459	13	758	14	060	14	376	14	691	15	023
11	13	0	14	046	14	361	14	677	15	006	15	335	15	684
12	14	0	15	335	15	670	16	006	16	342	16	676	17	012
13	15	0	16	757	17	093	17	429	17	764	18	099	18	435
14	16	0	18	327	18	663	18	999	19	334	19	670	20	005
15	17	0	20	032	20	367	20	703	21	039	21	374	21	710
16	18	0	21	911	22	246	22	582	22	918	23	253	23	588
17	19	0	23	978	24	314	24	648	24	984	25	320	25	656
18	20	0	26	233	26	567	26	903	27	239	27	575	27	910
19	21	0	28	716	29	091	29	386	29	722	30	058	30	393
20	22	0	31	439	31	775	32	111	32	446	32	782	33	117
21	23	0	34	419	34	754	35	090	35	426	35	762	36	096
22	24	0	37	694	38	030	38	365	38	700	39	036	39	371
23	25	0	41	291	41	626	41	962	42	298	42	632	42	968
24	Grade	Step-7	Step-8	Step-9	Step-10	Step-11	Step-12	Step-13						
25	-1	0	5	725	5	846	5	968	6	047	6	128	6	209

1	-2	0	6	222	6	349	6	477	6	564	6	651	6	738	6	826
2	-3	0	6	759	6	900	7	041	7	133	7	228	7	329	7	430
3	-4	0	7	336	7	497	7	658	7	766	7	872	7	980	8	087
4	-5	0	7	994	8	168	8	342	8	457	8	570	8	691	8	812
5	-6	0	8	705	8	893	9	081	9	208	9	336	9	463	9	591
6	-7	0	9	483	9	691	9	900	10	040	10	181	10	322	10	463
7	-8	0	10	342	10	570	10	798	10	953	11	108	11	261	11	416
8	-9	0	11	282	11	530	11	778	11	946	12	114	12	269	12	463
9	-9	5	11	792	12	057	12	321	12	496	12	670	12	853	13	034
10	10	0	12	302	12	583	12	865	13	046	13	227	13	416	13	604
11	10	5	12	875	13	165	13	459	13	650	13	839	14	037	14	233
12	11	0	13	442	13	744	14	046	14	248	14	449	14	657	14	865
13	11	5	14	060	14	376	14	691	14	904	15	115	15	334	15	553
14	12	0	14	677	15	006	15	335	15	557	15	778	16	006	16	234
15	12	5	15	357	15	700	16	047	16	277	16	509	16	745	16	988
16	13	0	16	033	16	395	16	757	16	999	17	240	17	489	17	737
17	14	0	17	348	17	684	18	019	18	355	18	698	18	857	19	025
18	15	0	18	770	19	106	19	442	19	777	20	112	20	280	20	448
19	16	0	20	341	20	676	21	012	21	348	21	682	21	850	22	018
20	17	0	22	046	22	380	22	716	23	052	23	387	23	555	23	723
21	18	0	23	924	24	259	24	595	24	931	25	267	25	433	25	601
22	19	0	25	998	26	326	26	662	26	997	27	333	27	501	27	669
23	20	0	28	246	28	582	28	916	29	252	29	588	29	756	29	924
24	21	0	30	728	31	064	31	399	31	735	32	071	32	234	32	407
25	22	0	33	453	33	788	34	124	34	460	34	795	34	962	35	130

1	~~23,0--36,432--36,768--37,103--37,439--37,775--37,942--38,109~~
2	~~24,0--39,707--40,043--40,378--40,713--41,049--41,217--41,385~~
3	~~25,0--43,304--43,639--43,975--44,310--44,646--44,813--44,981~~

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12	STEP 13
1.0			5,204	5,323	5,410	5,498	5,611	5,725	5,846	5,968	6,047	6,128	6,209
2.0	5,377	5,498	5,611	5,725	5,846	5,968	6,094	6,222	6,340	6,477	6,564	6,651	6,738
3.0	5,815	5,968	6,094	6,222	6,349	6,477	6,617	6,759	6,900	7,041	7,133	7,228	7,329
4.0	6,334	6,477	6,617	6,759	6,900	7,041	7,189	7,334	7,497	7,658	7,766	7,872	7,980
5.0	6,985	7,041	7,189	7,334	7,497	7,658	7,826	7,994	8,168	8,342	8,457	8,570	8,691
6.0	7,488	7,658	7,826	7,994	8,168	8,342	8,523	8,705	8,893	9,081	9,208	9,336	9,463
7.0	8,156	8,342	8,523	8,705	8,893	9,081	9,282	9,483	9,691	9,900	10,040	10,181	10,322
8.0	8,878	9,081	9,282	9,483	9,691	9,900	10,121	10,342	10,570	10,798	10,953	11,108	11,261
9.0	9,678	9,900	10,121	10,342	10,570	10,798	11,040	11,282	11,530	11,778	11,944	12,114	12,289
9.5	10,117	10,349	10,580	10,812	11,050	11,289	11,540	11,792	12,057	12,321	12,496	12,670	12,853
10.0	10,556	10,798	11,040	11,282	11,530	11,778	12,040	12,302	12,583	12,865	13,046	13,227	13,416
10.5	11,037	11,291	11,540	11,793	12,057	12,321	12,598	12,875	13,165	13,459	13,650	13,849	14,037
11.0	11,513	11,778	12,040	12,302	12,583	12,865	13,153	13,442	13,744	14,046	14,248	14,449	14,657
11.5	12,044	12,321	12,598	12,875	13,165	13,459	13,758	14,060	14,374	14,691	14,904	15,115	15,334
12.0	12,575	12,865	13,153	13,442	13,744	14,046	14,361	14,677	15,006	15,335	15,557	15,779	16,006
12.5	13,155	13,459	13,758	14,060	14,374	14,691	15,023	15,357	15,700	16,047	16,277	16,509	16,745
13.0	13,729	14,046	14,361	14,677	15,006	15,335	15,684	16,033	16,395	16,757	16,999	17,240	17,489
14.0	14,988	15,335	15,670	16,006	16,342	16,676	17,012	17,348	17,684	18,019	18,355	18,690	18,957
15.0	16,378	16,757	17,093	17,429	17,764	18,099	18,435	18,770	19,106	19,442	19,777	20,112	20,380
16.0	17,910	18,327	18,663	18,999	19,334	19,670	20,005	20,341	20,676	21,012	21,348	21,682	21,850
17.0	19,578	20,032	20,367	20,703	21,039	21,374	21,710	22,046	22,380	22,716	23,052	23,387	23,555
18.0	21,413	21,911	22,246	22,582	22,918	23,253	23,588	23,924	24,259	24,595	24,931	25,267	25,433
19.0	23,433	23,978	24,314	24,648	24,984	25,320	25,656	25,990	26,326	26,662	26,997	27,332	27,501
20.0	25,636	26,233	26,567	26,903	27,239	27,575	27,910	28,246	28,582	28,916	29,252	29,588	29,756
21.0	28,062	28,716	29,091	29,386	29,722	30,059	30,393	30,728	31,064	31,399	31,735	32,071	32,239
22.0	30,723	31,436	31,775	32,111	32,446	32,782	33,117	33,453	33,788	34,124	34,460	34,795	34,963
23.0	33,634	34,419	34,754	35,090	35,426	35,762	36,096	36,432	36,768	37,103	37,439	37,775	37,943
24.0	36,834	37,694	38,030	38,365	38,700	39,036	39,371	39,707	40,043	40,378	40,713	41,049	41,217
25.0	40,348	41,291	41,626	41,962	42,298	42,632	42,968	43,304	43,639	43,975	44,310	44,646	44,813

BEST COPY AVAILABLE

Section 4. Pay matrix for fiscal year ending June 30, 1979.

Grade	Step-1	Step-2	Step-3	Step-4	Step-5	Step-6
1	0			6,031	6,120	6,210	6,326
2	0	6,210	6,326	6,443	6,567	6,691	6,820
3	0	6,691	6,820	6,951	7,081	7,212	7,356
4	0	7,212	7,356	7,501	7,645	7,790	7,941
5	0	7,790	7,941	8,092	8,256	8,421	8,593
6	0	8,421	8,593	8,765	8,943	9,121	9,306
7	0	9,121	9,306	9,493	9,685	9,878	10,083
8	0	9,878	10,083	10,289	10,502	10,716	10,942
9	0	10,716	10,942	11,168	11,402	11,635	11,883
9	5	11,175	11,412	11,649	11,893	12,137	12,394
10	0	11,635	11,883	12,130	12,384	12,638	12,906
10	5	12,139	12,394	12,653	12,923	13,194	13,477
11	0	12,638	12,906	13,174	13,462	13,750	14,045
11	5	13,194	13,477	13,761	14,058	14,358	14,664
12	0	13,750	14,045	14,341	14,650	14,959	15,282
12	5	14,358	14,664	14,974	15,297	15,619	15,959
13	0	14,959	15,282	15,605	15,942	16,278	16,636
14	0	16,278	16,621	16,965	17,309	17,651	17,995
15	0	17,734	18,078	18,422	18,765	19,107	19,451
16	0	19,341	19,685	20,029	20,371	20,715	21,058
17	0	21,086	21,429	21,773	22,117	22,459	22,803
18	0	23,009	23,352	23,696	24,040	24,383	24,725

19	0	25,125	25,469	25,810	26,154	26,498	26,842
20	0	27,433	27,774	28,118	28,462	28,806	29,149
21	0	29,974	30,358	30,660	31,004	31,347	31,690
22	0	32,761	33,105	33,449	33,792	34,135	34,478
23	0	35,811	36,154	36,498	36,842	37,186	37,527
24	0	39,163	39,507	39,850	40,193	40,536	40,879
25	0	42,844	43,187	43,531	43,875	44,217	44,561

Grade	Step-7	Step-8	Step-9	Step-10	Step-11	Step-12	Step-13
1	0	6,443	6,567	6,691	6,772	6,855	6,938	7,020
2	0	6,951	7,081	7,212	7,301	7,390	7,479	7,570
3	0	7,501	7,645	7,790	7,884	7,981	8,084	8,188
4	0	8,092	8,256	8,421	8,532	8,640	8,751	8,860
5	0	8,765	8,943	9,121	9,239	9,355	9,478	9,602
6	0	9,493	9,685	9,878	10,008	10,139	10,269	10,400
7	0	10,289	10,502	10,716	10,859	11,003	11,148	11,292
8	0	11,168	11,402	11,635	11,794	11,952	12,109	12,267
9	0	12,130	12,384	12,638	12,810	12,982	13,161	13,339
9	5	12,652	12,923	13,194	13,373	13,551	13,738	13,923
10	0	13,174	13,462	13,750	13,936	14,121	14,314	14,507
10	5	13,761	14,058	14,358	14,554	14,747	14,950	15,151
11	0	14,341	14,650	14,959	15,166	15,372	15,585	15,797
11	5	14,974	15,297	15,619	15,837	16,053	16,277	16,502
12	0	15,605	15,942	16,278	16,506	16,732	16,965	17,199
12	5	16,301	16,652	17,007	17,243	17,480	17,722	17,970
13	0	16,993	17,363	17,734	17,982	18,228	18,483	18,737

1	14.0	18.339	18.683	19.026	19.369	19.712	19.883	20.055					
2	15.0	19.794	20.138	20.481	20.825	21.168	21.340	21.512					
3	16.0	20.402	20.745	21.089	21.432	21.775	21.947	22.119					
4	17.0	21.010	21.353	21.696	22.040	22.383	22.555	22.726					
5	18.0	21.617	21.960	22.304	22.647	22.990	23.162	23.333					
6	19.0	22.225	22.568	22.911	23.254	23.597	23.769	23.940					
7	20.0	22.832	23.175	23.518	23.861	24.204	24.376	24.547					
8	21.0	23.440	23.783	24.126	24.469	24.812	24.983	25.155					
9	22.0	24.047	24.390	24.733	25.076	25.419	25.591	25.762					
10	23.0	24.655	24.998	25.341	25.684	26.027	26.198	26.370					
11	24.0	25.262	25.605	25.948	26.291	26.634	26.806	26.977					
12	25.0	25.870	26.213	26.556	26.899	27.242	27.413	27.585					

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12	STEP 13
1.0			5.784	5.911	6.031	6.120	6.210	6.326	6.443	6.567	6.691	6.772	6.855
2.0	5.955	6.084	6.210	6.324	6.443	6.567	6.691	6.820	6.951	7.081	7.210	7.301	7.390
3.0	6.414	6.554	6.691	6.820	6.951	7.081	7.212	7.356	7.501	7.645	7.790	7.884	7.981
4.0	6.912	7.066	7.212	7.356	7.501	7.645	7.790	7.941	8.092	8.256	8.421	8.532	8.640
5.0	7.463	7.630	7.790	7.941	8.092	8.256	8.421	8.593	8.765	8.943	9.121	9.239	9.355
6.0	8.046	8.247	8.421	8.593	8.765	8.943	9.121	9.306	9.493	9.695	9.878	10.008	10.139
7.0	8.734	8.931	9.121	9.306	9.493	9.685	9.878	10.083	10.289	10.502	10.716	10.859	11.003
8.0	9.456	9.670	9.878	10.083	10.289	10.502	10.716	10.942	11.168	11.402	11.635	11.794	11.952
9.0	10.256	10.489	10.716	10.942	11.168	11.402	11.635	11.883	12.130	12.384	12.639	12.810	12.982
9.5	10.695	10.938	11.175	11.412	11.649	11.893	12.137	12.394	12.652	12.923	13.194	13.373	13.551
10.0	11.134	11.387	11.635	11.883	12.130	12.384	12.638	12.906	13.174	13.462	13.750	13.936	14.121
10.5	11.615	11.879	12.139	12.394	12.653	12.923	13.194	13.477	13.761	14.058	14.358	14.554	14.747
11.0	12.091	12.367	12.638	12.906	13.174	13.462	13.750	14.045	14.341	14.650	14.959	15.166	15.372
11.5	12.622	12.910	13.194	13.477	13.761	14.058	14.358	14.664	14.974	15.297	15.619	15.837	16.053
12.0	13.153	13.454	13.750	14.045	14.341	14.650	14.959	15.282	15.605	15.942	16.278	16.506	16.732
12.5	13.733	14.047	14.358	14.664	14.974	15.297	15.619	15.959	16.301	16.652	17.007	17.243	17.480
13.0	14.307	14.635	14.959	15.282	15.605	15.942	16.278	16.636	16.993	17.363	17.724	17.982	18.238
14.0	15.566	15.923	16.278	16.621	16.965	17.309	17.651	17.995	18.339	18.683	19.026	19.369	19.712
15.0	16.956	17.346	17.734	18.078	18.422	18.765	19.107	19.451	19.794	20.138	20.482	20.825	21.169
16.0	18.490	18.916	19.341	19.685	20.029	20.371	20.715	21.058	21.402	21.745	22.089	22.433	22.775
17.0	20.154	20.621	21.086	21.429	21.773	22.117	22.459	22.803	23.147	23.489	23.833	24.177	24.520
18.0	21.991	22.499	23.009	23.352	23.696	24.040	24.383	24.725	25.069	25.412	25.756	26.100	26.444
19.0	24.011	24.567	25.125	25.449	25.810	26.154	26.498	26.842	27.194	27.538	27.882	28.215	28.558
20.0	26.214	26.822	27.433	27.774	28.118	28.462	28.804	29.149	29.493	29.837	30.179	30.523	30.866
21.0	28.640	29.305	29.974	30.358	30.660	31.004	31.347	31.690	32.033	32.377	32.720	33.064	33.408
22.0	31.301	32.038	32.761	33.105	33.449	33.792	34.135	34.478	34.822	35.165	35.509	35.853	36.196
23.0	34.212	35.008	35.811	36.154	36.498	36.842	37.184	37.527	37.871	38.215	38.558	38.902	39.246
24.0	37.412	38.283	39.163	39.507	39.850	40.193	40.536	40.879	41.223	41.567	41.910	42.253	42.597
25.0	40.926	41.879	42.844	43.187	43.531	43.875	44.217	44.561	44.905	45.248	45.592	45.936	46.278

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~~Section 5. Allocation between wages and health insurance contribution. The compensation indicated in the matrices plus the longevity allowance provided in section 8 is the entire compensation per employee for wages and health benefits. Any employee may, through collective bargaining or individually if not a member of a bargaining unit determine the allocation between the annual wage and annual contribution for health insurance paid by the state.~~

SECTION 5. ALLOCATION BETWEEN WAGES AND HEALTH INSURANCE. (A) THE DOLLAR AMOUNTS SHOWN IN THE RESPECTIVE MATRICES IN [SECTIONS 3 AND 4] REPRESENT THE MAXIMUM AMOUNT ALLOCATED BY THE STATE FOR WAGES AND HEALTH INSURANCE BENEFITS, AND EXCLUSIVE OF LONGEVITY AS DEFINED IN [SECTION 6]. EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SECTION, THAT AMOUNT SPECIFICALLY ALLOCATED FOR HEALTH INSURANCE BENEFITS SHALL BE DETERMINED BY 11-1024. AN EMPLOYEE WHO ELECTS NOT TO BE TO COVERED BY A STATE HEALTH INSURANCE PLAN WILL RECEIVE AS WAGES THE AMOUNT SHOWN IN THE APPROPRIATE MATRIX LESS THE STATE CONTRIBUTION FOR HEALTH INSURANCE AS DETERMINED BY 11-1024.

(B) EMPLOYEES MAY, THROUGH COLLECTIVE BARGAINING, DETERMINE THE ALLOCATION OF THE AMOUNTS SHOWN IN THE MATRICES OF [SECTIONS 3 AND 4] BETWEEN WAGES AND HEALTH INSURANCE BENEFITS, EXCEPT THAT IN NO CASE MAY THE HEALTH INSURANCE ALLOCATION BE LESS THAN THE AMOUNTS PROVIDED IN

11-1024.

~~Section 6. Meritorious promotions. In addition to the pay increases provided above, each agency director may grant intra-grade promotions to employees who have demonstrated exceptionally meritorious performance. The total cost of such promotions may not exceed 1/2 of 1% of total budgeted wages and salaries as approved by the budget director in the operational budget. Promotions are exclusively a management prerogative and, notwithstanding any other provision of law, are not negotiable.~~

~~Section 7. New hires. The salary of any employee hired after the effective date of this act shall be at step 1 of the appropriate grade, except that an agency director may, under the budget limitations imposed in section 6, approve a starting salary higher than step 1.~~

Section 6. Longevity allowance. In addition to the compensation determined above, each employee who has completed at least 5 years of uninterrupted state service shall receive the amount obtained by multiplying the larger of $10 a month or 10% of the difference between the base compensation for his grade and step and the base compensation for the corresponding step in the next highest grade by the number of completed, contiguous 5-year periods of uninterrupted service he has with the state. Service to the state may not be considered to have been interrupted by

authorized leaves of absence ~~not exceeding 3 months or by military service.~~

~~Section 9. Exclusive procedure. The procedure established in this act for increasing compensation for state employees is in lieu of and supercedes any other plan or system of pay increases. No contract may be negotiated which provides compensation in excess of that provided in this act. A member of a bargaining unit may receive an increase in compensation only in the event the bargaining unit has ratified a contract with the state covering all compensation for the pertinent fiscal year.~~

SECTION 7. EXCEPTIONS FOR COLLECTIVE BARGAINING. (A) THE PROCEDURE ESTABLISHED IN THIS ACT FOR INCREASING COMPENSATION FOR STATE EMPLOYEES IS IN LIEU OF AND SUPERCEDES ANY OTHER SUCH PLANS OR SYSTEMS EXCEPT THOSE PLANS NEGOTIATED WITH THE BLUE COLLAR CRAFTS AND TEACHERS IN ACCORDANCE WITH PROVISIONS OF SECTION 59, CHAPTER 16, R.C.M. THE TOTAL AMOUNT OF COMPENSATION WHICH MAY BE USED TO IMPLEMENT ANY SUCH PLAN MAY NOT EXCEED THE TOTAL AMOUNT OF FUNDING THAT WOULD BE REQUIRED TO FUND APPLICATION OF THE MATRICES IN [SECTIONS 3 AND 4] TO THE EMPLOYEES COVERED BY THE NEGOTIATED PLAN.

(B) A MEMBER OF A BARGAINING UNIT MAY RECEIVE NEGOTIATED INCREASES IN COMPENSATION ONLY AFTER THE BARGAINING UNIT HAS RATIFIED THE NEGOTIATED PLAN OR SYSTEM

FOR THE BIENNIUM. SHOULD SUCH NEGOTIATIONS AND SUBSEQUENT RATIFICATION PROCESS NOT BE COMPLETED BY THE BEGINNING OF THE BIENNIUM, RETROACTIVITY TO THE BEGINNING OF THE BIENNIUM SHALL BE NEGOTIABLE.

Section 8. Rules. The department of administration, subject to approval by the budget director, may promulgate rules not inconsistent with the provisions of this act, COLLECTIVE BARGAINING STATUTES OR NEGOTIATED CONTRACTS, to carry out the purposes of the act.

Section 9. Appropriation. There is appropriated to the budget director $2,268,225 for the fiscal year ending June 30, 1978, and $5,042,600 for the fiscal year ending June 30, 1979, from the state general fund to carry out the provisions of this act as it pertains to executive branch agencies, not including units of the university system. The budget director is authorized to increase the expenditure authority of executive branch agencies, not including units of the university system, by $3,641,692 for the fiscal year ending June 30, 1978, and by $8,237,724 for the fiscal year ending June 30, 1979, from funds other than the state general funds which accrue under provisions of law to the respective agencies to carry out the provisions of this act.

Section 10. Reversion. Appropriated funds not spent at the end of the fiscal year shall revert to the fund from which they were appropriated.

SECTION 11. SECTION 11-1024, R.C.M. 1947, IS AMENDED TO READ AS FOLLOWS:

"11-1024. Group insurance for all departments, bureaus, boards, commissions and agencies of the state of Montana, county, city, and town officers and employees -- authority -- approval of employees -- limit on contributions. (1) All departments, bureaus, boards, commissions and agencies of the state of Montana, and all counties, cities and towns shall upon approval by two-thirds (2/3) vote of the officers and employees of each such department, bureau, board, commission, agency, county, city and town, enter into group hospitalization, medical, health including long-term disability, accident and/or group life insurance contracts or plans for the benefit of their officers, employees and their dependents, and the respective administrative and governing bodies shall pay for such insurance ~~ten--dollars-($10)-per-month~~ the amount specified in this section. ~~for-each-officer,-employee,-and-legislator, and-provided-that--for~~ For all employees as defined in subsection (2) of this section other than members of collective bargaining units and for members of the legislature, such payment for insurance ~~may-be-an-amount equal-to-twelve-(12)-times-the-monthly--rate,--but--may--not exceed--one--hundred-twenty-dollars-($120)~~ shall be $240 per year for the fiscal year ending June 30, 1978 and $360 per

year for each fiscal year thereafter. The employer shall prorate this amount for employees who work less than 2,080 hours per year. ~~However,-for~~ For employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but shall not be less than ~~the-amount--specified--in--this--section~~ $10 per month.

For state employee members of a collective bargaining unit, the employer shall pay the amount negotiated with the collective bargaining unit.

(2) In this section, as it applies to a person employed in the executive or legislative branches of state government, "employee" means:

(a) a permanent full-time employee as defined in section 59-1007.1;

(b) a part-time employee as defined in section 59-1007.1 who is scheduled to work at least twenty (20) hours per week;

(c) a person employed in a seasonal position as defined in section 59-1007.1 who is employed on a regular basis at least eight (8) months of the fiscal year."

-End-

EIGHTY-SEVENTH LEGISLATIVE DAY

Helena, Montana
April 15, 1977

Senate Chambers
Capitol Building

Senate convened at 1:00 p.m., President McOmber presiding. Invocation by the Chaplain. Pledge of Allegiance to the Flag.

Roll call. All members present except Devine, excused. Quorum present.

Mr. President: We, your Committee on Bills and Journal, having examined the daily journal for the Eighty-fifth Legislative Day, find the same to be correct.

WARDEN, Chairman

REPORTS OF STANDING COMMITTEES

BILLS (Warden, Chairman):

Signed by the Speaker of the House and President of the Senate, were this day, at the hour of 11:00 a.m., delivered to the Governor for his approval - SB 100, SB 137, SB 237. Report adopted.

The Senate will please take note that the President did, at the hour of adjournment, April 14, 1977, sign the following bills - SB 102, SB 150, SB 209, SB 311, SB 442, HB 147, HB 164, HB 280, HB 664, HB 126, HB 151, HB 177, HB 197, HB 251, HB 286, HB 318, HB 320, HB 324, HB 352, HB 356, HB 389, HB 487, HB 493, HB 512, HB 560, HB 585, HB 587, HB 617, HB 644, HB 647, HB 724, HB 810, HJR 51, HJR 59, HJR 71, HJR 75, HJR 68, HJR 79

W. GORDON McOmber
President

The Senate will please take note that the President did, at the hour of adjournment, April 14, 1977, sign the following bills:

HB 55, HB 125, HB 159, HB 330, HB 428, HB 484, HB 565, HB 589, HB 634, HB 638, HB 659, HB 718, HB 760, HB 787, HB 837, HJR 88, HJR 92, HJR 94

W. GORDON McOMBER
President

REPORTS OF SELECT COMMITTEES

FREE CONFERENCE COMMITTEE
ON SENATE BILL NO. 31

(Report No. 1, April 13, 1977)

MR. PRESIDENT AND SPEAKER OF THE HOUSE:

We, your Joint Conference Committee on Senate Bill No. 31, met April 13, 1977, and considered:

House Committee on Taxation Amendments, dated Apirl 7, 1977, and recommend as follows:

That the House recede from amendment nos. 1, 2 and 5, which read as follows:

1. Amend title, line 7.
Following: "exemptions;"

64

3. Amend page 1, section 1, lines 16 and 17.
Following: "before"
Strike: "the attorney general or"

4. Amend page 1, section 1, line 21.
Following: "of"
Strike: "the attorney general or"

5. Amend page 1, section 1, line 23.
Following: "issued"
Insert: "and that there is a relevant connection to an existing criminal investigation"

6. Amend page 2, section 2, lines 8 and 9.
Following: "(1)"
Strike: "The attorney general or"
Insert: "Any examination by"
Following: "county attorney"
Strike: "may examine"
Insert: "under this act shall be conducted"

7. Amend page 2, section 2, line 10.
Following: "oath"
Insert: "before the justice or judge who authorized the issuance of the subpoena"

8. Amend page 2, section 2, line 10.
Following: "oath"
Strike: "all witnesses subpoenaed pursuant to this act"

10. Amend page 2, section 3, line 24.
Following: "The"
Strike: "attorney general or the"

12. Amend page 3, section 4, lines 15 through 17.
Following: "The"
Strike: "state shall bear all costs, including the cost of service, when the application for the subpoena is made by the attorney general, and the"

13. Amend page 3, section 4, lines 18 and 19.
Following: "service"
Strike: ", when the application for the subpoena is made by a county attorney"

And further, that the House accede to amendment nos. 9 and 11.

And, that the Joint Conference Committee Report on Senate Amendments to House Bill 498 be adopted.

FOR THE SENATE: FOR THE HOUSE:

Roberts, Chairman Scully, Chairman
Towe Kenny
Murray Lory

Report adopted.

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

Transmitted to the Senate for concurrence:

House Bill No. 834, introduced by South, Meloy, et al

House Bill No. 838, introduced by Driscoll

House Joint Resolution No. 103, introduced by Meloy

House Joint Resolution No. 104, introduced by Fagg, Meloy

ot concurred in and returned to the Senate:

Senate Joint Resolution No. 48, introduced by The Committee of Agriculture, Livestock, and Irrigation, by Graham

MOTIONS

Senator Murphy moved that House Joint Resolution No. 97, House mendments to Senate Bill No. 44, Free Conference Committee Report Senate Bill No. 382, Joint Conference Committee Report on Senate mendments to House Bill No. 263, Joint Conference Committee Report Senate Amendments to House Bill No. 411, Free Conference Committe Report on House Bill No. 595, Joint Conference Committee Report on nate Amendments to House Bill No. 721, Free Conference Committee eport on House Bill No. 735, Free Conference Committee Report on use Bill No. 772 be placed at the top of the Second Reading calendar Legislative Day. Motion carried unanimously.

Senator Murphy moved that in accordance with Joint Rule 6-34 the nate be allowed to consider House Bill No. 838. Motion carried unaniously.

Senator Murphy moved that in accordance with Joint Rule 6-34 the nate be allowed to consider House Bill No. 834. Motion carried unaniously.

Upon motion of Senator Murphy, duly carried, that the Joint Conference mmittee on Senate Bill No. 198 be dissolved and the President be thorized to appoint a new Free Conference Committee of three to meet th a like committee from the House to confer on Senate Bill No. 198.

The President appointed the following committee:

Senator Murray, Chairman
Senator Roskie
Senator Flynn

Senator Towe moved that the Senate request the House of Representaves to return House Bill No. 272 for further consideration by this body. otion carried by the following roll call vote:

yes: Aber, Bergren, Blaylock, Dunkle, Galt, Goodover, Graham, Hager, azelbaker, Healy, Jergeson, Lee, McCallum, Manning, Mehrens, urray, Norman, Olson, Peterson, Rasmussen, E. Smith, R. Smith, Towe, arden, Watt.
otal 25

oes: Boylan, Brown, Devine, Etchart, Fasbender, Flynn, Himsl, Kolstad, ensink, Lockrem, Manley, Mathers, Murphy, Nelson, Regan, Roberts, oskie, Stephens, Story, Thiessen, Thomas, Turnage, Mr. President.
otal 23

xcused: None.
otal 0

bsent or not voting: Dover, Lowe.
otal 2

(Including the following pair: Lee, aye - Devine, no.)

64

April 18, 1977

The meeting of the Joint Select Committee on Employee Compensation was called to order at 11:00 a.m. in room 331 of the State Capitol Building by Senator Joe Roberts, Chairman. The roll call was taken and a quorum was present. (Representative Driscoll and Senator Stephens were not present for the meeting.) This meeting was called to hear House Bill 834, relating to the state pay plan.

Representative Carroll South, chief sponsor of House Bill 834, said that since this bill had been heard previously by this committee he would not give an explanation of its contents. He did propose two amendments concerning the dollar amounts in the bill. These changes are the result of savings experienced when the anniversary date for step increases was changed.

It was proposed that the bill be amended to deduct $60,000 in general funds and $140,000 in other funds in the first year of the biennium and $60,000 in general funds and $140,000 in other funds for the second year of the biennium. Representative South explained that $200,000 is for the Department of Justice for the highway patrolmen, pursuant to actions taken in the conference committee on H.B. 145. The other $200,000 would go into the university system to compensate for the loss in cattle funds. The executive will still have adequate money for the pay plan, Representative South stated.

Ernie Post, Staff Representative for the Montana State AFL-CIO, stood as neither an opponent or proponent to this bill. He said that he had met with the joint trades union, and they are concerned with the matrix as amended into the bill. They feel that those at step 13 will be in fact frozen at that step, which would mean that others will be coming up and meeting or exceeding them in their areas. This occurs mostly in the university system. Mr. Post stated that the 2.35 percent increase will be denied to those people; equal pay for equal work has not worked. In fairness, the provision should be made for these people to get the 2.35 percent increase just the same as all other people in state government. Just to say we are stopping at step 13 is a very arbitrary decision, Mr. Post felt. There should be some provision for workers at step 13.

Mike Billings, Director of the Office of Budget and Program Planning, distributed the amendments on the attached sheet to the committee. He said that it will clarify how an individual advances under this pay plan. What is not presently covered in House Bill 834 as it is now written, is an individual whose anniversary date is on July 1, 2 or 3; the date on the pay plan is July 4. These amendments make a provision for an individual whose anniversary date falls on July 1, 2 or 3 to receive his step increase on the first day of the first pay period. This will guarantee that everybody will be treated equally, he concluded.

Don Judge, Field Representative for the AFSCME, AFL-CIO, indicated that they would agree with the amendment proposed by Mr. Billings. He also concurred in the testimony of Mr. Post, adding that the pay plan should have been designed and intended to provide a cost of living

and step increase. The cost of living adjustment does not equal the actual cost of living increase, Mr. Judge felt.

Representative South moved that page 2, lines 12 and 16 be amended as set forth on the attached proposal from Mike Billings.

VOTE: The motion carried unanimously (7-0) by a voice vote.

Representative South moved that House Bill 834 be amended on page 14, section 9, as indicated on the attached proposed amendment, to deduct $60,000 in general funds and $140,000 in other funds for fiscal year ending June 30, 1978 and $60,000 in general funds and $140,000 in other funds for the fiscal year ending June 30, 1979.

Discussion: In response to a question from Senator Stephens, Representative South stated this amendment does not change the matrix at all.

Representative Fabrega asked about the people at step 13; Representative South stated that we have excluded the crafts and blue collar workers from this matrix and the university system has to work out their own matrix. He did not know if that is a tremendous problem or not.

There are already people at step 13, Mr. Post stated. This was because instead of going through the classifications, the Personnel Division of the Department of Administration has refused to negotiate grades so they established these people on the last step of the matrix. Under Senate Bill 80, Mr. Post added, they cannot change that grade. There are plumbers at grade 13, step 13 in the university system.

Representative South commented that that is one of the reasons that the situation exists, because the university system pays more than other areas of state government. But Mr. Post responded that there are, for example, many different types of carpenters and types of carpentry work and these need to be classified correspondingly. He feels that the classification system was set up wrong originally. Two years from now you won't be able to blame labor, because you will have Senate Bill 80. There will be no problems because there will be no bargaining.

In way of explanation, Mr. Billings said that there were a lot of people who were already above step 13 in their respective positions. Senator Roberts clarified that, and Mr. Billings concurred, there were some people getting a salary that was higher than step 13 in their grade under the classification system. Those individuals got the cost of living increase each year but did not advance a step.

Representative South stated that as this bill was introduced there would have been no problems with step 13. But it was found that there would be other problems; and it was, therefore, decided to go back to this system.

VOTE on the motion by Representative South to amend $400,000 in the biennium out of this bill: The motion carried by a voice vote unanimously (7-0)

Roger Tippy, Staff Attorney for the Legislative Council, prepared the attached amendment for a new section for House Bill 834. Senator Roberts explained that the legislature is a component group and it would, therefore, take a vote of two-thirds of the members of that component group to approve any insurance policy. The effect of the amendment would be to do away with the two-thirds approval as regards state legislators. The reason for the approval, Senator Roberts explained, is that if we don't like the plan, we could go out on our own. But he did not think that would happen. It would be mechanically difficult to get the two-thirds requirement.

Senator Fasbender moved that the amendment proposed by Mr. Tippy be adopted.

VOTE: The motion carried unanimously by a voice vote.

Representative South moved that the bill be concurred in as amended.

ROLL CALL VOTE: The motion carried unanimously (7-0).

The meeting adjourned at 11:30 a.m.

Senator Joe Roberts, Chairman

jlm

EIGHTY-NINTH LEGISLATIVE DAY

ena, Montana
18, 1977

Senate Chambers
Capitol Building

nate convened at 9:00 a.m., President McOmber presiding. Invocation e Chaplain. Pledge of Allegiance to the Flag.

ll call. All members present. Quorum present.

r. President: We, your Committee on Bills and Journal, having exam- the daily journal for the Eighty-sixth Legislative Day, find the same e correct.

WARDEN, Chairman

REPORTS OF STANDING COMMITTEES

NTING (Warden, Chairman):
orrectly printed and placed on members' desks - SJR 50, SR 9. Report adopted.

MOTIONS

enator Regan moved that the Senate reconsider its action taken in ing House Bill No. 826 on Third Reading, April 16. Motion carried nimously.

enator Regan moved that House Bill No. 826 be placed on Second ading this Legislative Day. Motion carried unanimously.

SECOND READING OF BILLS (COMMITTEE OF THE WHOLE)

enator Graham in the Chair. Committee arose.

enate resumed. President McOmber in the Chair.

Mr. President: We, your Committee of the Whole, having had under sideration business on Second Reading, recommend as follows:

That House Bill No. 204 follow the Governor's Amendments to Senate l No. 80. Unanimously passed.

That House Bill No. 357 follow House Bill No. 828. Unanimously ssed.

That House Bill No. 630 follow House Bill No. 204. Unanimously ssed.

That House Bill No. 838 be concurred in. Unanimously concurred in.

That House Bill No. 282 be concurred in. Opposed by Blaylock, Flynn, lmsl, Manley, Norman, Rasmussen, Regan, Roberts, Thiessen, Towe.

That House Bill No. 828 be concurred in. Opposed by Bergren, Blaylock, oylan, Devine, Dover, Hager, Lockrem, Lowe, Manley, Murray, Norman, lson, Watt.

That House Bill No. 357 follow House Bill No. 630. Unanimously ssed.

That House Bill No. 242 be concurred in. Unanimously concurred in.

That House Bill No. 140 be concurred in. Opposed by Etchart, Nelson.

70

HB 834, third reading bill, be amended as follows:

1. Amend page 2, section 2, line 5.
Following: "administration."
Insert: "Provided that if the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of 1977, he or she will advance one step on the first day of that pay period."

2. Amend page 2, section 2, line 16.
Following: "administration."
Insert: "Provided that if the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of 1978, he or she will advance one step on the first day of that pay period."

3. Amend page 14, section 9, line 11.
Following: "director"
Strike: "$2,268,225"
Insert: "$2,208,225"

4. Amend page 14, section 9, line 12.
Following: "and"
Strike: "$5,042,600"
Insert: "$4,902,600"

5. Amend page 14, section 9, line 18.
Following: "by"
Strike: "$3,641,692"
Insert: "$3,581,692"

6. Amend page 14, section 9, line 19.
Following: "by"
Strike: "$8,237,724"
Insert: "$8,097,724"

7. Amend page 16, line 21.
Following: line 21
Insert: "Section 12. There is a new R.C.M. section that reads as follows:

Participation of legislators in state insurance group. Members of the senate and the house of representatives may enroll in the state employees insurance group during the terms to which they have been elected, without the approval of two-thirds of the appropriate house under 59-1505. The insurer shall enroll and collect employee contributions directly from such legislators. The employer contribution shall be paid from funds appropriated for that purpose."

And, as so amended, be concurred in. Report adopted.

FREE CONFERENCE COMMITTEE ON HOUSE BILL NO. 145

(Report No. 1, April 18, 1977)

MR. PRESIDENT AND SPEAKER OF THE HOUSE:

We, your Free Conference Committee on House Bill No. 145 met April 16 and 17, 1977, and considered:

Senate Committee on Finance and Claims Amendments dated April 12, 1977, and

71

NINETIETH LEGISLATIVE DAY

Helena, Montana
April 19, 1977

House Chambers
Capitol Building

House convened at 9:30 a.m., Mr. Speaker in the Chair. Invocation by Representative Dussault. Pledge of Allegiance to the Flag.

Roll call. All members present except Ellerd, Halvorson, Kenny, excused. Quorum present.

Mr. Speaker: We, your Committee on Legislative Administration/Bills and Journal, having examined the daily journal for the Eighty-ninth Legislative Day, find the same to be correct.

QUILICI, Chairman

REPORTS OF STANDING COMMITTEES

BILLS (Quilici, Chairman): 4/19/77

Correctly enrolled - HB 250, HB 292, HB 498, HB 728, HJR 97, HJR 100.

Examined by Sponsors and found to be correct - HB 250, HB 502, HB 728, HJR 100.

MESSAGES FROM THE OTHER HOUSE

4/18/77

Senate has authorized the President to appoint the following New Free Conference Committee to meet with a like committee from the House on House Bill No. 29:

Senator Kolstad, Chairman
Senator Jergeson
Senator Stephens

REPORTS OF SELECT COMMITTEES

FREE JOINT CONFERENCE COMMITTEE
ON HOUSE BILL NO. 29
Report No. 2, April 18, 1977

Mr. President and Speaker of the House:

We, your Free Joint Conference Committee on House Bill No. 29 met April 18, 1977, and considered:

Senate Committee on Judiciary Amendments dated March 21, 1977, and recommend as follows:

Having had under consideration Senate Committee on Judiciary Amendments dated March 21, 1977,

That the House accede to amendment numbers 1, 2, 4, 5, and 6,

That the Senate recede from amendment number 3, which reads as follows:

3. Amend page 1, section 1, lines 17 through 20.
Following: "that"
Strike: lines 17 through 20 in their entirety
Insert: "the legislature or the people by initiative may establish the legal age for consuming or possessing alcoholic beverages."

72

Following: line 18
Insert: "and"
Following: "84-302,"
Strike: "84-304, 84-305, 84-307, and 84-308,"

38. Amend page 123, section 71, line 20.
Following: "repealed."
Insert: "However, amendments to 84-301 or 84-302, R.C.M. 1947, enacted by this legislative session shall be incorporated into the equivalent sections enacted in this act as directed by such other amendatory acts."

(Material in parentheses denotes cancelled type.)

And that the Conference Committee Report on House Bill No. 70 be adopted.

FOR THE HOUSE:	FOR THE SENATE:
HUENNEKENS	MATHERS
WILLIAMS	GOODOVER
FABREGA	FASBENDER

Report adopted.

MESSAGES FROM THE OTHER HOUSE

4/19/77

Bills concurred in as amended by the Senate and returned to the House for concurrence in Senate Amendments:

House Bill No. 630, introduced by Fagg, Vincent, et al

House Bill No. 834, introduced by South, Driscoll, et al

4/19/77

Bill, on 4/18/77, concurred in as amended by the Senate and returned to the House for concurrence in Senate Amendments:

House Bill No. 826, introduced by Meloy, Marks, et al

MOTIONS

Huennekens moved that the rules be suspended and that HB 842 be rereferred from the Committee on Appropriations to Second Reading today. Motion carried.

FIRST READING AND COMMITMENT OF BILLS AND RESOLUTIONS

The following bill was introduced read first time and referred to committee:

HB 842, introduced by Driscoll. Referred to Committee on Appropriations.

SECOND READING OF BILLS (COMMITTEE OF THE WHOLE)

Meloy moved that the House be permitted to sit again as a Committee of the Whole, for the consideration of business on Second Reading, under the rules of the previous sitting. Motion carried.

Ramirez in the Chair. Committee arose.

House resumed. Mr. Speaker in the Chair.

73

Mr. Speaker: We, your Committee of the Whole, having had under consideration business on Second Reading, recommend as follows:

That SJR 15 be concurred in. (75-0)

That HB 842 be amended as follows:

1. Amend page 1.
Following: line 14
Insert: "Section 2. Revenue oversight. No more than $30,000 of this appropriation may be used over the biennium to fund the activities of the Legislative Revenue Oversight Committee." (74-6)

And as amended, do pass. (49-33)

That the Conference Committee Report on HB 29 be adopted. (50-43)

That the Conference Committee Report on HB 701 be adopted. (73-7)

That the Conference Committee Report on SB 37 be adopted. (59-22)

That the Conference Committee Report on SB 192 be adopted. (83-1)

That the Conference Committee Report on HB 70 be passed to the bottom of the board.

That the Governor's Amendments to SB 44 be passed to the bottom of the board.

That SA to HB 630 be concurred in. (53-36)

That SA to HB 826 be passed to the bottom of the board.

That SA to HB 834 be concurred in. (76-1)

That the Conference Committee Report on HB 70 be adopted. (58-27)

That the Governor's Amendments to SB 44 be concurred in. (83-3)

That SA to HB 826 be concurred in. (87-3)

That SA to HB 357 be concurred in. (87-1)

That the committee rise and report and beg leave to sit again. (Ramirez, Chairman) Report adopted.

REPORTS OF STANDING COMMITTEES

BILLS (Quilici, Chairman): 4/19/77

Will be signed by the Speaker at 2:30 p.m., 4/19/77 - SB 413, SJR 42, SJR 49, SJR 130, SJR 166, SJR 324, SJR 450, HB 85, HB 261, HB 292, HB 302, HB 365, HB 498, HB 650, HB 818, HJR 97.

Were signed by the Speaker at 11:30 a.m., 4/19/77 - HB 160, HB 215, HB 502, HB 567, HB 649, HB 728, HB 772, HB 832, HB 835, HJR 98, HJR 99, HJR 100, HR 5.

Signed by the Speaker of the House and President of the Senate and delivered to the Governor for his approval at 3:45 p.m., 4/19/77 - HB 90, HB 141, HB 148, HB 150, HB 160, HB 169, HB 182, HB 215, HB 245, HB 250, HB 295, HB 298, HB 299, HB 301, HB 334, HB 355, HB 370, HB 378, HB 411, HB 491, HB 502, HB 649, HB 728, HB 772, HB 832, HB 835.

HOUSE BILL NO. 834

INTRODUCED BY SOUTH,

DRISCOLL, MARKS, MOORE, MELOY

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH AND FUND A COMPENSATION PLAN FOR STATE EMPLOYEES FOR THE 1979 BIENNIUM; AMENDING SECTION 11-1024, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Definitions. As used in this act, EXCEPT FOR THE SECTION AMENDING 11-1024, the following definitions apply:

(1) "Employee" means any state employee other than an employee excepted under 59-904 from the statewide classification system.

(2) "Compensation" means the annual wage or salary plus the annual state contribution of health insurance premiums under provisions of 11-1024.

Section 2. Procedures for utilizing pay schedules. (1) The pay matrix provided in section 3 indicates the annual compensation for the fiscal year ending June 30, 1978, for each step and grade for positions classified under provisions of law. ~~The~~ EXCEPT AS PROVIDED IN [SECTION 7] FOR COLLECTIVE BARGAINING UNITS, THE "compensation of each employee shall, on the first day of the first pay period in July, 1977, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1977. THE EMPLOYEE WILL ADVANCE ONE STEP ON THE EMPLOYEE'S ANNIVERSARY DATE AS DETERMINED BY THE DEPARTMENT OF ADMINISTRATION. "PROVIDED THAT IF THE EMPLOYEE'S ANNIVERSARY DATE FALLS BETWEEN (INCLUSIVE) JULY 1 AND THE FIRST DAY OF THE FIRST PAY PERIOD OF 1977, HE OR SHE WILL ADVANCE ONE STEP ON THE FIRST DAY OF THAT PAY PERIOD.

(2) The pay matrix provided in section 4 indicates the annual compensation for the fiscal year ending June 30, 1979, for each step and grade for positions classified under provisions of law. ~~The~~ EXCEPT AS PROVIDED IN [SECTION 7] FOR COLLECTIVE BARGAINING UNITS, THE compensation of each employee shall, on the first day of the first pay period in July, 1978, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1978. THE EMPLOYEE WILL ADVANCE ONE STEP ON THE EMPLOYEE'S ANNIVERSARY DATE AS DETERMINED BY THE DEPARTMENT OF ADMINISTRATION. PROVIDED THAT IF THE EMPLOYEE'S ANNIVERSARY DATE FALLS BETWEEN (INCLUSIVE) JULY 1 AND THE FIRST DAY OF THE FIRST PAY PERIOD OF 1978, HE OR SHE WILL ADVANCE ONE STEP ON THE FIRST DAY OF THAT PAY PERIOD.

Section 3. Pay matrix for fiscal year ending June 30, 1978.

~~Grade---Step 1---Step 2---Step 3---Step 4---Step 5---Step 6~~

REFERENCE BILL

1	1w0				5y323	5y410	5y498	5y611	
2	2w0	5y498	5y611	5y725	5y846	5y968	6y894		
3	3w0	5y968	6y894	6y222	6y349	6y477	6y617		
4	4w0	6y477	6y617	6y759	6y900	7y041	7y189		
5	5w0	7y041	7y189	7y336	7y497	7y658	7y826		
6	6w0	7y658	7y826	7y994	8y168	8y342	8y523		
7	7w0	8y342	8y523	8y705	8y893	9y081	9y282		
8	8w0	9y081	9y282	9y483	9y691	9y900	10y121		
9	9w0	9y900	10y121	10y342	10y570	10y798	11y040		
10	9w5	10y349	10y580	10y812	11y050	11y289	11y540		
11	10w0	10y798	11y040	11y282	11y530	11y778	12y040		
12	10w5	11y291	11y540	11y793	12y057	12y321	12y598		
13	11w0	11y778	12y040	12y302	12y583	12y865	13y153		
14	11w5	12y321	12y598	12y875	13y165	13y459	13y758		
15	12w0	12y865	13y153	13y442	13y744	14y046	14y361		
16	12w5	13y459	13y758	14y060	14y376	14y691	15y023		
17	13w0	14y046	14y361	14y677	15y006	15y335	15y684		
18	14w0	15y335	15y670	16y006	16y342	16y676	17y012		
19	15w0	16y757	17y093	17y429	17y764	18y099	18y435		
20	16w0	18y327	18y663	18y999	19y334	19y670	20y005		
21	17w0	20y032	20y367	20y703	21y039	21y374	21y710		
22	18w0	21y911	22y246	22y582	22y918	23y253	23y588		
23	19w0	23y978	24y314	24y648	24y984	25y320	25y656		
24	20w0	26y233	26y567	26y903	27y239	27y575	27y910		
25	21w0	28y716	29y091	29y386	29y722	30y058	30y393		

1	22w0	31y439	31y775	32y111	32y446	32y782	33y117		
2	23w0	34y419	34y754	35y090	35y426	35y762	36y096		
3	24w0	37y694	38y030	38y365	38y700	39y036	39y371		
4	25w0	41y291	41y626	41y962	42y298	42y632	42y968		
5	Grade	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	
6	1w0	5y725	5y846	5y968	6y047	6y128	6y209	6y289	
7	2w0	6y222	6y349	6y477	6y564	6y651	6y738	6y826	
8	3w0	6y759	6y900	7y041	7y133	7y228	7y329	7y430	
9	4w0	7y336	7y497	7y658	7y766	7y872	7y980	8y087	
10	5w0	7y994	8y168	8y342	8y457	8y570	8y691	8y812	
11	6w0	8y705	8y893	9y081	9y208	9y336	9y463	9y591	
12	7w0	9y483	9y691	9y900	10y040	10y181	10y322	10y463	
13	8w0	10y342	10y570	10y798	10y953	11y108	11y261	11y416	
14	9w0	11y282	11y530	11y778	11y946	12y114	12y289	12y463	
15	9w5	11y792	12y057	12y321	12y496	12y670	12y853	13y034	
16	10w0	12y302	12y583	12y865	13y046	13y227	13y416	13y604	
17	10w5	12y875	13y165	13y459	13y650	13y839	14y037	14y233	
18	11w0	13y442	13y744	14y046	14y248	14y449	14y657	14y865	
19	11w5	14y060	14y376	14y691	14y904	15y115	15y334	15y553	
20	12w0	14y677	15y006	15y335	15y557	15y770	16y006	16y234	
21	12w5	15y357	15y700	16y047	16y277	16y509	16y745	16y988	
22	13w0	16y033	16y395	16y757	16y999	17y240	17y489	17y737	
23	14w0	17y348	17y684	18y019	18y355	18y698	18y857	19y025	
24	15w0	18y770	19y106	19y442	19y777	20y112	20y280	20y448	
25	16w0	20y341	20y676	21y012	21y348	21y682	21y850	22y018	

1	17v0	22v046	22v380	22v716	23v052	23v387	23v555	23v723					
2	18v0	23v924	24v259	24v595	24v931	25v267	25v433	25v601					
3	19v0	25v998	26v326	26v662	26v997	27v333	27v501	27v669					
4	20v0	28v246	28v582	28v916	29v252	29v588	29v756	29v924					
5	21v0	30v728	31v064	31v399	31v735	32v071	32v239	32v407					
6	22v0	33v453	33v788	34v124	34v460	34v795	34v962	35v130					
7	23v0	36v432	36v768	37v103	37v439	37v775	37v942	38v109					
8	24v0	39v787	40v043	40v378	40v713	41v049	41v217	41v385					
9	25v0	43v304	43v639	43v975	44v310	44v646	44v813	44v981					

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12	STEP 13
1.0	5,377	5,498	5,206	5,323	5,410	5,498	5,611	5,725	5,846	5,968	6,047	6,128	6,209
2.0	5,834	5,968	6,094	6,222	6,349	6,477	6,617	6,759	6,900	7,041	7,133	7,228	7,329
3.0	6,334	6,477	6,617	6,759	6,900	7,041	7,189	7,336	7,497	7,658	7,764	7,872	7,980
4.0	6,885	7,041	7,189	7,336	7,497	7,658	7,826	7,994	8,168	8,342	8,457	8,570	8,691
5.0	7,488	7,658	7,826	7,994	8,148	8,342	8,523	8,705	8,893	9,081	9,208	9,336	9,463
6.0	8,156	8,342	8,523	8,705	8,893	9,081	9,282	9,483	9,691	9,900	10,040	10,181	10,322
7.0	8,878	9,081	9,282	9,483	9,691	9,900	10,121	10,342	10,570	10,798	10,953	11,108	11,261
8.0	9,678	9,900	10,121	10,342	10,570	10,798	11,040	11,282	11,530	11,778	11,946	12,114	12,289
9.0	10,117	10,349	10,580	10,812	11,050	11,289	11,540	11,792	12,057	12,321	12,496	12,670	12,853
9.5	10,556	10,798	11,040	11,282	11,530	11,778	12,040	12,302	12,583	12,865	13,046	13,227	13,416
10.0	11,037	11,291	11,540	11,793	12,057	12,321	12,598	12,875	13,165	13,459	13,650	13,839	14,037
10.5	11,513	11,778	12,040	12,302	12,583	12,865	13,153	13,443	13,744	14,046	14,248	14,449	14,657
11.0	12,044	12,321	12,598	12,875	13,165	13,459	13,758	14,060	14,376	14,691	14,904	15,115	15,334
11.5	12,575	12,865	13,153	13,442	13,744	14,046	14,361	14,677	15,006	15,335	15,557	15,778	16,006
12.0	13,155	13,459	13,758	14,060	14,376	14,691	15,023	15,357	15,700	16,047	16,277	16,509	16,745
12.5	13,729	14,046	14,361	14,677	15,006	15,335	15,684	16,033	16,395	16,757	16,999	17,240	17,489
13.0	14,988	15,335	15,670	16,006	16,342	16,676	17,012	17,348	17,684	18,019	18,355	18,690	18,957
14.0	16,378	16,757	17,093	17,429	17,744	18,099	18,435	18,770	19,106	19,442	19,777	20,112	20,380
15.0	17,910	18,327	18,663	18,999	19,334	19,670	20,005	20,341	20,676	21,012	21,348	21,682	21,950
16.0	19,578	20,032	20,367	20,703	21,039	21,374	21,710	22,046	22,380	22,716	23,052	23,387	23,555
17.0	21,413	21,911	22,246	22,582	22,918	23,253	23,588	23,924	24,259	24,595	24,931	25,267	25,433
18.0	23,433	23,978	24,314	24,648	24,984	25,320	25,656	25,990	26,326	26,662	26,997	27,333	27,501
19.0	25,634	26,233	26,567	26,903	27,239	27,575	27,910	28,246	28,582	28,916	29,252	29,588	29,756
20.0	28,062	28,714	29,091	29,386	29,722	30,058	30,393	30,728	31,064	31,399	31,735	32,071	32,239
21.0	30,723	31,439	31,775	32,111	32,446	32,782	33,117	33,453	33,788	34,124	34,460	34,795	34,962
22.0	33,634	34,419	34,754	35,090	35,426	35,762	36,096	36,432	36,768	37,103	37,439	37,775	37,943
23.0	36,834	37,694	38,030	38,365	38,700	39,036	39,371	39,707	40,043	40,378	40,713	41,049	41,217
24.0	40,348	41,291	41,626	41,962	42,298	42,632	42,968	43,304	43,639	43,975	44,310	44,646	44,813
25.0													

BEST COPY AVAILABLE

Section 4. Pay matrix for fiscal year ending June 30, 1979.

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
1w0			6y031	6y120	6y210	6y326
2w0	6y210	6y326	6y443	6y567	6y691	6y820
3w0	6y691	6y820	6y951	7y081	7y212	7y356
4w0	7y212	7y356	7y501	7y645	7y798	7y941
5w0	7y790	7y941	8y092	8y256	8y421	8y593
6w0	8y421	8y593	8y765	8y943	9y121	9y306
7w0	9y121	9y306	9y493	9y685	9y878	10y083
8w0	9y878	10y083	10y289	10y502	10y716	10y942
9w0	10y716	10y942	11y168	11y402	11y635	11y883
9w5	11y175	11y412	11y649	11y893	12y137	12y394
10w0	11y635	11y883	12y130	12y384	12y638	12y906
10w5	12y139	12y394	12y653	12y923	13y194	13y477
11w0	12y638	12y906	13y174	13y462	13y750	14y045
11w5	13y194	13y477	13y761	14y058	14y358	14y664
12w0	13y750	14y045	14y341	14y650	14y959	15y282
12w5	14y358	14y664	14y974	15y297	15y619	15y959
13w0	14y959	15y282	15y605	15y942	16y278	16y636
14w0	16y278	16y621	16y965	17y309	17y651	17y995
15w0	17y734	18y078	18y422	18y765	19y107	19y451
16w0	19y341	19y685	20y029	20y371	20y715	21y058
17w0	21y086	21y429	21y773	22y117	22y459	22y803
18w0	23y089	23y352	23y696	24y040	24y383	24y725

19w0	25y125	25y469	25y810	26y154	26y498	26y842
20w0	27y433	27y774	28y118	28y462	28y806	29y149
21w0	29y974	30y358	30y660	31y004	31y347	31y690
22w0	32y761	33y105	33y449	33y792	34y135	34y478
23w0	35y811	36y154	36y498	36y842	37y186	37y527
24w0	39y163	39y507	39y850	40y193	40y536	40y879
25w0	42y844	43y187	43y531	43y875	44y217	44y561

Grade	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13
1w0	6y443	6y567	6y691	6y772	6y855	6y938	7y020
2w0	6y952	7y081	7y212	7y301	7y390	7y479	7y570
3w0	7y501	7y645	7y798	7y884	7y981	8y084	8y188
4w0	8y092	8y256	8y421	8y532	8y648	8y751	8y860
5w0	8y765	8y943	9y121	9y239	9y355	9y478	9y602
6w0	9y493	9y685	9y878	10y008	10y139	10y269	10y400
7w0	10y209	10y502	10y716	10y859	11y003	11y148	11y292
8w0	11y168	11y402	11y635	11y794	11y952	12y109	12y267
9w0	12y138	12y384	12y638	12y810	12y982	13y161	13y339
9w5	12y652	12y923	13y194	13y373	13y551	13y730	13y923
10w0	13y174	13y462	13y750	13y936	14y121	14y314	14y507
10w5	13y761	14y058	14y358	14y554	14y747	14y950	15y151
11w0	14y341	14y650	14y959	15y166	15y372	15y585	15y797
11w5	14y974	15y297	15y619	15y857	16y053	16y277	16y502
12w0	15y605	15y942	16y278	16y586	16y732	16y965	17y199
12w5	16y301	16y652	17y007	17y243	17y480	17y722	17y970
13w0	16y993	17y363	17y734	17y982	18y228	18y483	18y737

1	14v0	18v339	18v683	19v026	19v369	19v712	19v883	20v055				
2	15v0	19v794	20v138	20v482	20v825	21v168	21v340	21v512				
3	16v0	21v482	21v745	22v089	22v433	22v775	22v947	23v119				
4	17v0	23v147	23v489	23v833	24v177	24v520	24v692	24v864				
5	18v0	25v069	25v412	25v756	26v100	26v444	26v614	26v786				
6	19v0	27v184	27v528	27v872	28v215	28v558	28v730	28v902				
7	20v0	29v493	29v837	30v179	30v523	30v866	31v038	31v210				
8	21v0	32v033	32v377	32v720	33v064	33v408	33v580	33v752				
9	22v0	34v822	35v165	35v509	35v853	36v196	36v367	36v539				
10	23v0	37v871	38v215	38v558	38v902	39v246	39v417	39v588				
11	24v0	41v223	41v567	41v910	42v253	42v597	42v769	42v941				
12	25v0	44v905	45v248	45v592	45v934	46v278	46v449	46v621				

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12	STEP 13
1	0		5,784	5,911	6,031	6,120	6,210	6,326	6,443	6,567	6,691	6,772	6,855
2	0	5,955	6,086	6,210	6,332	6,443	6,567	6,691	6,820	6,951	7,081	7,212	7,390
3	0	6,414	6,556	6,691	6,830	6,951	7,081	7,212	7,356	7,501	7,645	7,790	7,981
4	0	6,912	7,066	7,212	7,356	7,501	7,645	7,790	7,941	8,092	8,256	8,421	8,640
5	0	7,463	7,630	7,790	7,941	8,092	8,256	8,421	8,593	8,765	8,943	9,121	9,355
6	0	8,046	8,247	8,421	8,593	8,765	8,943	9,121	9,306	9,493	9,685	9,878	10,139
7	0	8,734	8,931	9,121	9,306	9,493	9,685	9,878	10,083	10,289	10,502	10,716	11,003
8	0	9,456	9,670	9,878	10,083	10,289	10,502	10,716	10,942	11,168	11,402	11,635	11,952
9	0	10,254	10,489	10,714	10,942	11,168	11,402	11,635	11,883	12,130	12,384	12,638	12,982
9	5	10,695	10,938	11,175	11,412	11,649	11,893	12,137	12,394	12,652	12,923	13,194	13,551
10	0	11,134	11,387	11,635	11,883	12,130	12,384	12,638	12,906	13,174	13,462	13,750	14,121
10	5	11,615	11,879	12,139	12,394	12,653	12,923	13,194	13,477	13,761	14,058	14,358	14,747
11	0	12,091	12,367	12,638	12,904	13,174	13,462	13,750	14,045	14,341	14,650	14,959	15,372
11	5	12,622	12,910	13,194	13,477	13,761	14,058	14,358	14,664	14,974	15,297	15,619	16,053
12	0	13,153	13,454	13,750	14,045	14,341	14,650	14,959	15,282	15,605	15,942	16,278	16,732
12	5	13,733	14,047	14,358	14,664	14,974	15,297	15,619	15,959	16,303	16,652	17,007	17,480
13	0	14,307	14,635	14,959	15,282	15,605	15,942	16,278	16,636	16,993	17,363	17,734	18,228
14	0	15,566	15,923	16,278	16,631	16,965	17,309	17,651	17,995	18,339	18,683	19,026	19,712
15	0	16,956	17,346	17,734	18,078	18,422	18,765	19,107	19,451	19,794	20,139	20,482	21,168
16	0	18,490	18,916	19,341	19,685	20,029	20,371	20,715	21,058	21,402	21,745	22,089	22,775
17	0	20,154	20,621	21,086	21,429	21,773	22,117	22,459	22,803	23,147	23,489	23,833	24,520
18	0	21,991	22,499	23,009	23,352	23,696	24,040	24,383	24,725	25,069	25,412	25,756	26,444
19	0	24,011	24,567	25,125	25,469	25,810	26,154	26,498	26,842	27,184	27,528	27,872	28,558
20	0	26,214	26,822	27,433	27,774	28,118	28,462	28,804	29,149	29,493	29,837	30,179	30,866
21	0	28,640	29,305	29,974	30,358	30,660	31,004	31,347	31,690	32,033	32,377	32,720	33,408
22	0	31,301	32,028	32,761	33,105	33,449	33,792	34,135	34,478	34,822	35,165	35,509	36,196
23	0	34,212	35,008	35,811	36,154	36,498	36,842	37,186	37,529	37,871	38,215	38,558	39,246
24	0	37,412	38,283	39,163	39,507	39,850	40,193	40,536	40,879	41,223	41,567	41,910	42,597
25	0	40,926	41,879	42,844	43,187	43,531	43,875	44,217	44,561	44,905	45,248	45,592	46,278

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~~Section 5. Allocation between wages and health insurance contribution. The compensation indicated in the matrices plus the longevity allowance provided in section 8 is the entire compensation per employee for wages and health benefits. Any employee may, through collective bargaining or individually if not a member of a bargaining unit, determine the allocation between the annual wage and annual contribution for health insurance paid by the state.~~

SECTION 5. ALLOCATION BETWEEN WAGES AND HEALTH INSURANCE. (1) THE DOLLAR AMOUNTS SHOWN IN THE RESPECTIVE MATRICES IN [SECTIONS 3 AND 4] REPRESENT THE MAXIMUM AMOUNT ALLOCATED BY THE STATE FOR WAGES AND HEALTH INSURANCE BENEFITS, EXCLUSIVE OF LONGEVITY AS DEFINED IN [SECTION 6], EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, THAT AMOUNT SPECIFICALLY ALLOCATED FOR HEALTH INSURANCE BENEFITS SHALL BE DETERMINED BY 11-1024. AN EMPLOYEE WHO ELECTS NOT BE TO COVERED BY A STATE HEALTH INSURANCE PLAN WILL RECEIVE AS WAGES THE AMOUNT SHOWN IN THE APPROPRIATE MATRIX LESS THE STATE CONTRIBUTION FOR HEALTH INSURANCE AS DETERMINED BY 11-1024.

(2) EMPLOYEES MAY, THROUGH COLLECTIVE BARGAINING, DETERMINE THE ALLOCATION OF THE AMOUNTS SHOWN IN THE MATRICES OF [SECTIONS 3 AND 4] BETWEEN WAGES AND HEALTH INSURANCE BENEFITS, EXCEPT THAT IN NO CASE MAY THE HEALTH INSURANCE ALLOCATION BE LESS THAN THE AMOUNTS PROVIDED IN

11-1024.

~~Section 6. Meritorious promotions. In addition to the pay increases provided above, each agency director may grant intra-grade promotions to employees who have demonstrated exceptionally meritorious performance. The total cost of such promotions may not exceed 1/2 of 1% of total budgeted wages and salaries as approved by the budget director in the operational budget. Promotions are exclusively a management prerogative and, notwithstanding any other provision of law, are not negotiable.~~

~~Section 7. New hires. The salary of any employee hired after the effective date of this act shall be at step 1 of the appropriate grade, except that an agency director may, under the budget limitations imposed in section 6, approve a starting salary higher than step 1.~~

Section 6. Longevity allowance. In addition to the compensation determined above, each employee who has completed at least 5 years of uninterrupted state service shall receive the amount obtained by multiplying the larger of $10 a month or 10% of the difference between the base compensation for his grade and step and the base compensation for the corresponding step in the next highest grade by the number of completed, contiguous 5-year periods of uninterrupted service he has with the state. Service to the state may not be considered to have been interrupted by

authorized leaves of absence ~~not exceeding 3 months or by military service.~~

~~Section 9. Exclusive procedure. The procedure established in this act for increasing compensation for state employees is in lieu of and supercedes any other plan or system of pay increases. No contract may be negotiated which provides compensation in excess of that provided in this act. A member of a bargaining unit may receive an increase in compensation only in the event the bargaining unit has ratified a contract with the state covering all compensation for the pertinent fiscal year.~~

SECTION 7. EXCEPTIONS FOR COLLECTIVE BARGAINING. (1) THE PROCEDURE ESTABLISHED IN THIS ACT FOR INCREASING COMPENSATION FOR STATE EMPLOYEES IS IN LIEU OF AND SUPERSEDES ANY OTHER SUCH PLANS OR SYSTEMS EXCEPT THOSE PLANS NEGOTIATED WITH THE BLUE COLLAR CRAFTS AND TEACHERS IN ACCORDANCE WITH PROVISIONS OF TITLE 59, CHAPTER 16. THE TOTAL AMOUNT OF COMPENSATION WHICH MAY BE USED TO IMPLEMENT ANY SUCH PLAN MAY NOT EXCEED THE TOTAL AMOUNT OF FUNDING THAT WOULD BE REQUIRED TO FUND APPLICATION OF THE MATRICES IN [SECTIONS 3 AND 4] TO THE EMPLOYEES COVERED BY THE NEGOTIATED PLAN.

(2) A MEMBER OF A BARGAINING UNIT MAY RECEIVE NEGOTIATED INCREASES IN COMPENSATION ONLY AFTER THE BARGAINING UNIT HAS RATIFIED THE NEGOTIATED PLAN OR SYSTEM

FOR THE BIENNIUM. SHOULD SUCH NEGOTIATIONS AND SUBSEQUENT RATIFICATION PROCESS NOT BE COMPLETED BY THE BEGINNING OF THE BIENNIUM, RETROACTIVITY TO THE BEGINNING OF THE BIENNIUM SHALL BE NEGOTIABLE.

Section 8. Rules. The department of administration, subject to approval by the budget director, may promulgate rules not inconsistent with the provisions of this act, COLLECTIVE BARGAINING STATUTES OR NEGOTIATED CONTRACTS, to carry out the purposes of the act.

Section 9. Appropriation. There is appropriated to the budget director ~~$2,268,225~~ $2,208,225 for the fiscal year ending June 30, 1978, and ~~$5,842,600~~ $4,902,600 for the fiscal year ending June 30, 1979, from the state general fund to carry out the provisions of this act as it pertains to executive branch agencies, not including units of the university system. The budget director is authorized to increase the expenditure authority of executive branch agencies, not including units of the university system, by ~~$3,641,692~~ $3,581,692 for the fiscal year ending June 30, 1978, and by ~~$8,237,724~~ $8,097,724 for the fiscal year ending June 30, 1979, from funds other than the state general funds which accrue under provisions of law to the respective agencies to carry out the provisions of this act.

Section 10. Reversion. Appropriated funds not spent at the end of the fiscal year shall revert to the fund from

which they were appropriated.

SECTION 11. SECTION 11-1024, R.C.M. 1947, IS AMENDED TO READ AS FOLLOWS:

"11-1024. Group insurance for all departments, bureaus, boards, commissions and agencies of the state of Montana, county, city, and town officers and employees -- authority -- approval of employees -- limit on contributions. (1) All departments, bureaus, boards, commissions and agencies of the state of Montana, and all counties, cities and towns shall upon approval by two-thirds (2/3) vote of the officers and employees of each such department, bureau, board, commission, agency, county, city and town, enter into group hospitalization, medical, health including long-term disability, accident and/or group life insurance contracts or plans for the benefit of their officers, employees and their dependents, and the respective administrative and governing bodies shall pay for such insurance ~~ten dollars ($10) per month~~ the amount specified in this section. ~~for each officer, employee, and legislator, and provided that for~~ For all employees as defined in subsection (2) of this section other than members of collective bargaining units and for members of the legislature, such payment for insurance ~~may be an amount equal to twelve (12) times the monthly rate, but may not exceed one hundred twenty dollars ($120)~~ shall be $240 per

year for the fiscal year ending June 30, 1978 and $360 per year for each fiscal year thereafter. The employer shall prorate this amount for employees who work less than 2,080 hours per year. ~~However, for~~ For employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but shall not be less than ~~the amount specified in this section~~ $10 per month.

For state employee members of a collective bargaining unit, the employer shall pay the amount negotiated with the collective bargaining unit.

(2) In this section, as it applies to a person employed in the executive or legislative branches of state government, "employee" means:

(a) a permanent full-time employee as defined in section 59-1007.1;

(b) a part-time employee as defined in section 59-1007.1 who is scheduled to work at least twenty (20) hours per week;

(c) a person employed in a seasonal position as defined in section 59-1007.1 who is employed on a regular basis at least eight (8) months of the fiscal year."

SECTION 12. THERE IS A NEW R.C.M. SECTION THAT READS AS FOLLOWS:

Participation of legislators in state insurance group.

Members of the senate and the house of representatives may enroll in the state employees insurance group during the terms to which they have been elected, without the approval of two-thirds of the appropriate house under 59-1505. The insurer shall enroll and collect employee contributions directly from such legislators. The employer contribution shall be paid from funds appropriated for that purpose.

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